

# AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS FOR 2017

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## HEARINGS BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES ONE HUNDRED FOURTEENTH CONGRESS SECOND SESSION

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SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT, FOOD AND  
DRUG ADMINISTRATION, AND RELATED AGENCIES

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## PART 2 STATEMENTS OF INTERESTED INDIVIDUALS AND ORGANIZATIONS



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WILLIAM E. SMITH, *Clerk and Staff Director*

March 14, 2016

Dear Chairman Aderholt and Ranking Member Farr:

The Academy of Nutrition and Dietetics appreciates the opportunity to submit testimony for the Fiscal Year 2017 appropriations. The Academy is the world's largest organization of food and nutrition professionals, and is committed to improving the nation's health with nutrition services and interventions provided by registered dietitian nutritionists. Nationwide, The Academy has over 75,000 members.

**Special Supplemental Nutrition Program for Women, Infants and Children (WIC)**

WIC serves low-income women and young children until the age of five, providing them with a nutritious monthly food package, nutrition education, healthcare and social service referrals to ensure that this at-risk population receives the quality nutrition and healthcare essential for healthy growth and development. We are asking you to please:

- Fund WIC at \$6.350 billion to support a projected caseload of 8.02 million participants. Monitor food cost inflation and caseload to ensure that appropriated levels meet anticipated needs: Provide \$150 million to replenish the WIC Contingency Fund for unforeseen food cost or participation increases: Provide \$80 million for breastfeeding peer counselors to improve breastfeeding initiation and duration among the target population; \$75 million for Management Information Systems/Electronic Benefits Transfer (EBT) funding to improve client access, retailer efficiency, and program integrity; \$14 million for infrastructure improvements; \$26 million for program initiatives and evaluation.

**Agriculture, Food and Nutrition Research**



The National Institute of Food and Agriculture (NIFA) funds agriculture and nutrition research that is vital for communities and the nation to have new technologies and intervention to improve the health and food security of Americans. In doing so, we ask that you:

- Support the President's budget to the Agriculture and Food Research Initiative (AFRI). These research efforts work with local communities and states to conduct high-quality research to help assure that our food supply is adequate for the future; and
- Consider restoring the funding for Agricultural Research Services (ARS) to 2014 levels. ARS is an essential in-house, scientific research agency. This agency often provides the solutions to food and nutrition problems that affect Americans every day, from field to table.

**Supplemental Nutrition Assistance Program (SNAP) and Nutrition Education and Obesity Prevention Grant Program (SNAP-Ed)**

We recognize that Supplemental Nutrition Assistance Program (SNAP) is a mandatory program, but we want convey the importance of the program, and urge you to protect this vital lifeline for families. SNAP participation closely follows changes in unemployment and underemployment and so is responsive to changes in need. SNAP-Ed empowers participants to make healthy food choices using this knowledge received from the innovative and engaging nutrition education to purchase, prepare and store nutritious foods. SNAP-Ed is targeted to fit the local communities it serves in all 50 states and territories, and outcomes include sustained changed behavior change towards healthier habits.

During this appropriations cycle, we ask that you:

- Support SNAP as it continues to respond to the need for food assistance with timely benefits; and support SNAP-Ed and protect mandatory investments in this program.

### **Child Nutrition Programs**

Child nutrition programs operate in school, daycare, after school, and summer settings, providing nutritious meals and snacks to fuel children with the energy they need to thrive in the classroom and beyond. We ask that you:

- Support the National School Lunch Program, School Breakfast Program, Summer Food Service Program, Child and Adult Care Food Program, and the Fresh Fruit and Vegetable Program to provide children with nutritious meals and snacks; and
  - Continue to provide funding, at \$35 million, for grants that would allow schools to purchase kitchen equipment. This will allow schools to serve healthier meals at a more reasonable price, and is a long overdue need for schools.
  - Provide adequate funding for training and technical assistance to states for successful implementation of the Healthy Hunger-Free Kids Act. This can be done by: Increasing funding to the National Food Service Management Institute, which successfully ran the USDA's Team Up for Success mentorship program for food service operators; Fully fund Team Nutrition program, up to \$25 million, in order to provide nutrition education competitive grants to states and localities.
- Summer Food Service Program EBT Demonstrations are innovative ways to tackle the hunger gap that occurs for children when school is out of session. Please meet the request to expand, over a ten-year window, this program to provide monthly food assistance to low-income children in the summer via an electronic benefits transfer (EBT) card

### **Commodity Assistance Programs**

The Emergency Food Assistance Program (TEFAP) is a win/win for farmers, producers, processors and low-income consumers to assure access to healthy foods through our nation's charitable food system, delivering nutrient-rich food through pantries, shelters, and kitchens and providing support for storage and distribution. The TEFAP program staff works in tandem with SNAP-Ed staff to help assure the consumption of these foods through nutrition education including preparation and safe storage. We ask that you:

- Fund TEFAP commodities at \$329 million, as provided by the 2014 farm bill. TEFAP commodities are distributed to low-income people through food banks, pantries, kitchens and shelters.

Commodity Supplemental Food Program (CSFP) CSFP provides a nutritious monthly food package to low-income seniors living at or below the poverty line. The CSFP food package is designed to meet the specific nutritional needs of this target population,

- Fund CSFP at \$236 million. This funding level is enough to support caseload in the existing 46 States, the District of Columbia, and two Indian reservations.

### **Supporting Local Farmers and Improving Health**

To support local farmers while improving the health of Americans, we ask that you:

- Provide \$17 million for WIC Farmers' Market Nutrition Program (FMNP), which provides vouchers to low-income women, infants, and children;
- Provide \$21 million for the Seniors Farmers' Market Nutrition Program, which provides vouchers for low-income seniors; and

- Provide \$9 million for Community Food Projects to meet food needs of low-income people, increase community self-reliance, and promote comprehensive responses to food, farm and nutrition issues.
- Provide funding for Healthy Food Financing Initiative

### **Food and Drug Administration Funding**

- The Academy supports the President's request to the Food and Drug Administration's (FDA) regarding implementation of the Food Safety Modernization Act (FSMA).

### **Developing Leaders**

To ensure a pipeline of leaders dedicated to improving health and reducing hunger in our country, we ask that you:

- Provide \$2 million for the Congressional Hunger Center for the operation of the Bill Emerson National Hunger Fellowships and Mickey Leland International Hunger Fellowships.

We appreciate your support on these recommendations. We know that these expenditures will make for smart, long-term investments into the health of Americans.

February 23, 2016

The Honorable Robert Aderholt  
Chairman, Agriculture Subcommittee  
Committee on Appropriations  
United States House of Representatives  
Rayburn House Office Building, 2362-A  
Washington, DC 20515

The Honorable Sam Farr  
Ranking Member, Agriculture Subcommittee  
Committee on Appropriations  
United States House of Representatives  
Longworth House Office Building, 1016  
Washington, DC 20515

Dear Chairman Aderholt and Ranking Member Farr:

Thank you for your leadership and commitment to investing in food and agricultural research through USDA's Agriculture and Food Research Initiative (AFRI). Your support for AFRI is helping to solve the food, agriculture and natural resource challenges facing us.

The undersigned members of the AFRI Coalition, a diverse group of scientific societies and agricultural research advocacy organizations dedicated to raising awareness of the importance of AFRI and the critical research it funds, strongly support fully funding AFRI.

We ask you to endeavor to fund AFRI at \$700 million, the amount authorized by Congress when it was established in the 2008 Farm Bill. This marks an important investment in our nation's future that will pay dividends for years to come.

Food, agriculture and natural resources research has been woefully underfunded over the decades. In the past four years, over 75 percent of AFRI proposals deemed worthy by expert review panels go unfunded due to budget constraints. In FY 2014, only \$270 million of the \$1.1 billion in projects recommended for funding by AFRI's review panels received support, leaving thousands of innovative projects unfunded.

AFRI funds cutting-edge science to meet 21st century challenges in public health, food production, national security and global competitiveness. A fully funded AFRI will also attract the next generation of scientists and advance innovations benefiting all Americans.

AFRI provides funding for the education and training of nearly 2,500 undergraduate, graduate, and postdoctoral students for careers in the food, agricultural and natural resources sciences. Fully funding AFRI will help close a critical shortfall of graduates in the agricultural sciences. According to a 2015 Purdue University study, graduates in these programs only fill about 60 percent of the expected annual openings in occupations involving food, agriculture, natural resources and environment.

A significant investment in food and agriculture research is needed to address some of our nation's most pressing challenges including human, plant and animal health; crop improvements; emerging plant pest risks and animal disease; drought; food safety and national security.

We urge you to make AFRI funding a priority and look forward to supporting you in this important effort.

Sincerely,

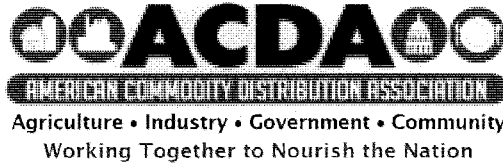
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 Weed Science Society of America  
 Western Society of Weed Science

cc:

Members of the House Committee on Appropriations, Subcommittee on Agriculture, Rural Development, Food  
 and Drug Administration, and Related Agencies



Ed Herrera, President

American Commodity Distribution Association

Before the

Subcommittee on Agriculture, Rural Development,

Food and Drug Administration and Related Agencies

House Committee on Appropriations

March 15, 2016

On behalf of the American Commodity Distribution Association (ACDA), I respectfully submit this statement regarding the budget request of the Food and Nutrition Service for inclusion in the Subcommittee's official record. ACDA members appreciate the Subcommittee's support for these vital programs.

We urge the subcommittee to provide \$329 million for the purchase of commodities to be distributed by the Emergency Food Assistance Program (TEFAP), to fully fund administrative expense funding for TEFAP at \$100 million; to approve the President's request for \$236,120,000 for the Commodity Supplemental Food Program (CSFP) including an additional 20,000 caseload slots to allow modest expansion of the program; and to continue to actively monitor two matters: flexibility in the operation of school meal programs; and recommendations of the Multiagency

Task Force on commodity procurement required by Section 4205 of the Agricultural Act of 2014 (Public Law 113-79).

ACDA is a non-profit professional trade association, dedicated to the growth and improvement of USDA's Commodity Food Distribution Program. ACDA members include: state agencies that distribute USDA-purchased commodity foods; agricultural organizations; industry; associate members; recipient agencies, such as schools and soup kitchens; and allied organizations, such as anti-hunger groups. ACDA members are responsible for distributing over 2.2 billion pounds of USDA-purchased commodity foods annually through programs such as National School Lunch Program (NSLP), the Emergency Food Assistance Program (TEFAP), Summer Food Service Program (SFSP), Commodity Supplemental Food Program (CSFP), Charitable Institution Program, and Food Distribution Program on Indian Reservations (FDPIR).

#### **Funding for TEFAP Commodities**

ACDA strongly supports the proposal in the President's budget to provide \$30 million to offset declines in 2014 Farm Bill-authorized funding for commodities under The Emergency Food Assistance Program (TEFAP). When coupled with the \$299 million provided by the Farm Bill, TEFAP commodity funding would total \$329 million. TEFAP operators continue to find a significant need for TEFAP foods, and without the additional \$30 million these needs are likely to go unmet. We agree with USDA's claim that the need for TEFAP is increasing as certain adult SNAP recipients lose eligibility due to the reestablishment of time limits on their participation.

#### **Fully Fund TEFAP Administrative Funds at \$100 million**

We continue to urge the subcommittee to fully fund TEFAP Administrative Funds at \$100 million. TEFAP providers face significant needs for food handling and storage, and have experienced increased costs in recent years.

ACDA appreciates the increase to \$54,401,000 provided in the FY 2016 Consolidated Appropriations Act and the President's request for \$59,401,000 for FY 2017, but food banks, Community Action Agencies, and other TEFAP operators continue to find that they have had little choice but to convert food dollars to administrative expense funds in order to maintain their operations. Using food dollars for operating expenses is too often necessary, and reduces the ability of these operators to provide food assistance to more individuals and families who continue to face difficult times. We urge the Committee to not force this choice upon operators that are experiencing reduced private donations in addition to increased demands.

#### **Funding for the Commodity Supplemental Food Program**

ACDA supports the President's request for \$236,120,000 which would provide for a modest caseload increase for the Commodity Supplemental Food Program (CSFP). We thank the Congress for having provided an additional \$900,000 in FY 2016. That increase has allowed Virginia to begin CSFP operations. We know that many states have requested caseload increases given the need for this program now focused on seniors. Virginia, along with the seven states that started programs following your action in FY 2015 - Connecticut, Florida, Hawaii, Idaho, Maryland, Massachusetts and Rhode Island – would be candidates for this expansion, along with other long-operating programs.

#### **Providing Reasonable Flexibility in School Meal Programs**

ACDA appreciates the action taken in the FY 2015 and FY 2016 Acts to provide reasonable and responsible flexibility in school meal standards, and remains hopeful that these matters will be addressed as part of the reauthorization of child nutrition programs. ACDA appreciates and supports the inclusion of Section 309 of the “Improving Child Nutrition Integrity and Access Act of 2016”, as approved unanimously by the Senate Agriculture Committee, providing flexibility in school meal programs. ACDA supports the delay in the Target 2 sodium standard contingent upon the latest scientific research indicating that further reduction in sodium is necessary to safeguard the health of children. However, ACDA members remain concerned about the practicality of meeting a more stringent standard. We also appreciate the whole grain flexibility because various regions continue to experience problems with specific grain items such as bagels, grits, biscuits, and tortillas that are difficult to obtain as whole grain rich products or are not readily accepted by students. ACDA continues to support emphasizing the importance of fruits and vegetables in all forms – fresh, frozen, canned and dried – as noted in the *2015-2020 Dietary Guidelines for Americans*. However, we remain concerned about mandating not just what children are offered in school meals but what they must take, whether they intend to eat it or not. Increasing flexibility to program sponsors in planning menus that meet high nutrition standards but still are within cost targets is of critical importance.

#### **Interagency Panel for Evaluation and Improvement of the USDA Foods Program**

As a result of Section 4205 of the Agricultural Act of 2014, a multiagency task force has been established at USDA for continuous evaluation and improvement of the USDA Foods program. The first annual report was submitted to Congress last year, and work has been undertaken on several important matters. FNS, AMS, and FSA are now engaging in Business Process Reengineering to determine improvements in the ordering, procurement, and receiving

of USDA Foods. ACDA expects to actively participate in this project. We encourage the Committee to monitor this and other actions taken by this task force.

We look forward to continuing to partner with you and USDA in the delivery of these important food assistance programs.



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**Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies  
Outside Witness Testimony  
FY 2017 Appropriations**

**March 14, 2016**

**Presented by: Zippy Duvall, President**

The American Farm Bureau Federation (AFBF) would like to acknowledge and thank the subcommittee for its historical work directed to the support of agriculture, our nation's food supply and the well-being of rural America.

**2014 Farm Bill Programs**

AFBF strongly opposes reopening the 2014 Farm Bill. That law is a careful balance of priorities and should not be reopened before its expiration in 2018 to achieve additional budget savings. Overall Farm Bill spending—including the nutrition programs—comprises just 2 percent of the total Federal budget. The entirety of the farm safety net constitutes less than one-third of 1 percent of the overall budget. The law was crafted to make a significant contribution to deficit reduction from the farm titles above and beyond the continuing contributions made through sequestration. No other sector of the economy has made similar efforts toward deficit reduction, yet many who benefit from the food, fuel, feed and fiber produced in rural America continue to look to agriculture for additional cuts.

**Program that Promotes Biotechnology**

AFBF supports funding for the Animal and Plant Health Inspection Service's (APHIS) Biotechnology Regulatory Services if there are appropriate levels of congressional oversight to ensure APHIS' new regulatory considerations are science- and risk-based, transparent and predictable, while promoting innovation in plant breeding and facilitating trade.

### Agricultural Research Priorities

Agricultural research has enabled America's farmers to become the most efficient in the world. However, without a commitment to further agricultural research and technological advancement, even America's farmers could be hard-pressed to meet the challenges of feeding the world's growing population.

AFBF supports funding USDA's Agriculture and Food Research Initiative at the level authorized when the program was established in the 2008 Farm Bill.

AFBF supports funding for the National Agricultural Statistics Service and the Economic Research Service, which provide essential information to farmers.

### Programs that Promote Animal Health

AFBF supports adequate funding for APHIS' work on the USDA Antimicrobial Resistance Action Plan.

AFBF supports funding at the authorized level for the Veterinary Medicine Loan Repayment Program and the Veterinary Services Grant Program, which allow veterinarians to ensure animal health and welfare, while protecting the nation's food supply.

AFBF supports funding for the National Animal Health Laboratory Network, which provides an early warning system for emerging animal diseases, at the authorized level.

AFBF supports funding for Section 1433 Continuing Animal Health and Disease, Food Security, and Stewardship Research, Education and Extension Programs to address critical priorities in food security, zoonotic disease and stewardship.

AFBF supports funding for the FDA's Center for Veterinary Medicine, which oversees the safety of animal drugs, feeds and biotechnology-derived products.

### Programs that Expand International Markets and Safeguard U.S. Agriculture



AFBF supports funding at authorized levels for the following programs and activities:

- The Foreign Agricultural Service, Market Access Program, Foreign Market Development Program, Emerging Markets Program and Technical Assistance for Specialty Crops Program, all of which increase demand for U.S. agriculture and food products abroad.
- USDA to open and staff an office in Cuba. This office will help U.S. agriculture to expand access, understand opportunities and increase sales into the Cuban marketplace.
- P.L. 480 programs, which provide foreign food aid by purchasing U.S. commodities.
- APHIS Plant Protection and Quarantine personnel and facilities, which protect U.S. agriculture from costly pest problems that enter from foreign lands.
- APHIS trade issues resolution and management activities that are essential for an effective response when other countries raise pest and disease concerns (i.e., sanitary and phytosanitary measures) to prohibit the entry of American products.
- The U.S. Codex Office, which is essential to improving the harmonization of international science-based standards for the safety of food and agriculture products.

#### Programs that Enhance and Improve Food Safety and Protection

AFBF supports funding for food protection at the Food and Drug Administration and Food Safety and Inspection Service (FSIS) directed to the following priorities:

- Implementation of the Food Safety Modernization Act
- Increased education and training of inspectors
- Additional science-based inspection, targeted according to risk
- Effective inspection of imported food and feed products
- Research and development of scientifically based rapid testing procedures and tools

- Accurate and timely response to outbreaks that identify contaminated products, remove them from the market and minimize disruption to producers
- Indemnification for producers who suffer marketing losses due to inaccurate government-advised recalls or warnings.

AFBF supports funding for a National Antimicrobial Residue Monitoring System to detect trends in antibiotic resistance among foodborne bacteria.

AFBF supports adequate funding for the Food Animal Residue Avoidance Databank, which aids veterinarians establish science-based recommendations for drug withdrawal intervals.

AFBF opposes the administration's request for new user fees for inspection activities. Food safety is for the public good, and as such, it is a justified use of public funds.

AFBF opposes any provision that would prohibit FSIS from inspecting equine processing facilities under the Federal Meat Inspection Act. Prohibiting the harvest of livestock for reasons unrelated to food safety or animal welfare sets an extremely dangerous precedent.

#### Programs that Ensure Crop Protection Tools

AFBF supports funding the Minor Crop Pest Management Program (IR-4) because developing pest control tools has high regulatory costs, and this funding ensures safe and effective agrichemicals and biopesticides are available for small, specialty crop markets.

AFBF supports funding the Office of Pesticide Management Policy, which promotes the development of new pest management approaches and is critical for crop protection.

AFBF supports funding the APHIS Plant Pest and Disease programs, which eradicate, suppress and contain plant pests.

#### Programs that Strengthen Rural Communities and Rural Housing

AFBF supports funding for the following rural development programs:

- Value-Added Agricultural Producer Grants, the Rural Innovation Initiative, the Rural Microentrepreneur Assistance Program, Business and Industry Direct and Guaranteed Loans, the Resource Conservation and Development Program, the Beginning Farmer and Rancher Development Program and Cooperative Services, which foster business development in rural communities.
- The Rural Utilities Service for rural broadband and telecommunications services, and the Distance Learning and Telemedicine Program.
- Community Facility Direct and Guaranteed Loans, which fund the construction, enlargement or improvement of essential community facilities.
- Agriculture in the Classroom, which helps students gain greater awareness of the role of agriculture in the economy and society.

AFBF supports modifying USDA Section 514 financing to allow farmers who are entering the H-2A program to use the housing built with these funds to house H-2A workers. AFBF also supports allowing farmers to obtain this financing to build new housing for H-2A workers. These modifications will eliminate some of the main impediments from entering the H-2A program.

#### Programs that Support Wildlife Services

AFBF supports funding the Wildlife Services programs that prevent and minimize an estimated \$1 billion worth of wildlife damage, while protecting human health and safety from conflicts with wildlife.

#### Program that Encourages Renewable Energy

AFBF supports funding the Renewable Energy for America Program, which offers a combination of grants and guaranteed loans for farmers to purchase renewable energy systems.

Testimony of John Larson

Executive Director of Programs

American Farmland Trust

House Appropriations Committee

**Subcommittee on Agriculture, Rural Development, Food and  
Drug Administration, and Related Agencies**

I am John Larson, Executive Director of Programs of American Farmland Trust. I am writing in support of full mandatory funding for agricultural conservation programs administered by the Natural Resources Conservation Service (NRCS) as enacted in the Agriculture Act of 2014. We also urge the subcommittee to support the discretionary appropriation of \$860 million for NRCS's Conservation Operations (CO) account.

American Farmland Trust is the only national conservation organization dedicated to protecting farmland, promoting sound farming practices, and keeping farmers on the land. Since its founding in 1980 by a group of farmers and citizens concerned about the rapid loss of farmland to development, AFT has helped save millions of acres of farmland from development and led the way for the adoption of conservation practices on millions more.

Mandatory conservation program funding provided by the Agricultural Act of 2014 is invaluable to producers and landowners in helping implement conservation practices on private agricultural land. Agricultural producers and other private landowners share in the cost, and thus help

leverage the Federal investment in conservation. Conservation systems provide protection and restoration of soil health, water quality, water conservation, air quality, wildlife habitat and other natural resource concerns. These are real public benefits. Further, the voluntary adoption of conservation practices can help avoid the need for governmental intervention and regulation on private lands while protecting the landscape.

The American Farmland Trust is keenly aware of the budget deficits plaguing this country and that is why American Farmland Trust supported the Agricultural Act of 2014, which saved taxpayers \$23 billion and consolidated or eliminated over 100 programs. As part of these reductions, mandatory conservation programs were cut by over \$6 billion and close to a dozen conservation programs were eliminated or consolidated. Sequestration has also reduced conservation funding significantly. Additional cuts or Changes in Mandatory Programs (CHIMPS) imposed on conservation programs will seriously reduce the Federal share of investment in conservation on working lands.

As the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies deliberates on FY 2017 agricultural program funding, I urge you to refrain from imposing caps or other limits on the mandatory funding already established and enacted by Congress in the Farm Bill. These programs include the Agricultural Conservation Easement Program (ACEP), the Environmental Quality Incentives Program (EQIP), and the Conservation Stewardship Program (CSP). Imposing caps not only cuts FY 2017 funding for needed conservation work, it also has the effect of reducing baseline in future years that further undermines these essential programs.

For example, through the Agricultural Land Easement component of ACEP (and the earlier Farmland Protection Program), millions of acres of productive farmland has been protected from being converted to non-agricultural use. This has occurred primarily through state and local farmland protection programs and land trusts that have partnered with USDA and shared the cost of easements as well as covered most of the transaction costs like appraisals, recording fees, and the like. The proceeds from easements have also allowed producers to install conservation measures on protected lands as well as cover other important business and family expenses while keeping the land in agricultural use.

American Farmland Trust also asks for your support of the full \$860 million in the President's budget proposal for the Conservation Operations account of the Natural Resources Conservation Service (NRCS). Conservation Technical Assistance supports the critical, voluntary conservation practices that ensure soil health, water quality, water conservation, air quality, wildlife habitat and other natural resource concerns. Funding for Conservation Operations allows for the delivery of critical conservation programs and helps ensure the best technical and scientific knowledge is available to producers and landowners. This account funds the "boots on the ground" work of NRCS and it is critical to delivery of conservation benefits.

American Farmland Trust believes conservation of our natural resources requires a strong public-private partnership and mandatory farm bill conservation funding along with the technical assistance provided by the Conservation Operations account is key to providing on-the-ground conservation benefits.

Thank you for your consideration of our views.

John Larson  
Executive Director for Programs  
American Farmland Trust  
[jl Larson@farmland.org](mailto:jl Larson@farmland.org)  
202-378-1219

**Testimony of Tom Martin, President & CEO, American Forest Foundation****For the House Appropriations Committee:****Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and****Related Agencies****March 15, 2016**

The American Forest Foundation (AFF) urges the Subcommittee to support strong funding for fiscal year 2017 for programs that are essential to helping America's 22 million family forest owners, some 282 million acres, conserve and manage their forests to provide the clean water and air, wildlife habitat, sustainable wood supplies, and other benefits, that all Americans benefit from.. Maintenance of these programs will help family forest owners adequately prepare for increasing threats and save landowners, communities, and industries from expensive restoration in the future. We urge the Subcommittee to support:

- Animal and Plant Health Inspection Service Tree and Wood Pests program at the FY 2016 level of \$54 million and Specialty Crops program at the FY 2016 level of \$156 million;
- Farm Bill authorized levels for the Environmental Quality and Incentives Program (EQIP), Conservation Stewardship Program (CSP), and the Agricultural Conservation Easement Program (ACEP);
- NRCS, Conservation Operations at \$761 million to grow conservation technical assistance;
- National Institute for Food and Agriculture (NIFA), Renewable Resources and Extension Program at \$4 million;
- NIFA, McIntire-Stennis, Cooperative Forestry Research at \$34 million; and



- Continuation of the Joint Chief's Landscape Restoration Partnership.

The American Forest Foundation is a nonprofit conservation organization that works on the ground with family woodland owners through a variety of programs, including the American Tree Farm System®, to protect the values and benefits of America's family forests, including the clean water, wildlife habitat, and sustainable wood supplies these lands provide all Americans.

Families and individuals own over one-third of our nation's forests, stewarding more acres than the federal government or forest industry<sup>1</sup>. Recent analysis by AFF and other partners shows these lands are at risk. In the West, for example, over 4 million acres of family woodlands that are essential for protecting the west's already scarce water supply, are at high fire risk. The US Forest Service predicts by 2020, more than 18 million acres of family forests are threatened by housing development. These are just a few of the growing threats to family woodlands. To combat these ever increasing pressures, we must ensure these families have the financial tools, technical information, and policy support to keep their forests as forests, for both current and future generations.

#### **APHIS Invasive Pest and Pathogen Funding**

According to the National Woodland Owner Survey, the threat of forest pests is a top concern for family forest owners. When an invasive species infests a family's forest, it can destroy their investment, making recovery difficult, as most families don't generate regular income.

To provide family forest owners with the tools needed to fight this growing threat, Congress should at least provide level funding for the APHIS Tree and Wood Pests program. This program funds eradication efforts for invasive species and works to prevent the further

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<sup>1</sup> USDA, USPRS National Woodland Owner Survey. 2013 Updated Data.

spread of invasive species like the Asian Long-Horned Beetle and the Emerald Ash Borer. Close to 500 species of foreign insects and diseases have become established in the U.S., and a new damaging pest is introduced, every 2 to 3 years. It is APHIS' responsibility to prevent such introductions and to respond effectively when pests are introduced.

We ask the Subcommittee to continue providing \$156 million to the "Specialty Crops" budget account, which funds APHIS' program to stop spread of the sudden oak death pathogen via trade in nursery plants. Since 1975, U.S. imports (excluding petroleum products) have risen almost six times faster than APHIS staff capability to conduct inspections of those imports. In just three years, from 2009 to 2012, more than 90 new plant pests have been detected in the United States.

### **Farm Bill Conservation Programs**

Farm Bill Conservation Programs provide tools to family forest owners, leveraging the family's own resources to implement conservation activities on their lands—treatments that can protect the numerous public benefits we all enjoy. Forest owners participate in programs like the EQIP and CSP, to help them manage invasive insect infestations, reduce wildfire risks, implement water quality improvements, and improve species habitat. The 2014 Farm Bill strengthened these programs for forest owners and increased opportunities to use resources for collaborative conservation efforts on a landscape scale. To realize the full impact, we urge Congress to support full-funding of these programs at the levels authorized in the Farm Bill. Congress should also provide strong support for NRCS Conservation Operations, which fund technical assistance for landowners and support the implementation of Farm Bill conservation programs.

### **NIFA Renewable Resources Extension Program**

The Renewable Resources Extension Program supports outreach and education to forest owners, so they have the education and tools they need to be good stewards. This is especially important for family forest owners who are currently unengaged in the management of their forests. The extension foresters supported by this program are essential to landowners, providing them with valuable information--everything from dealing with forest management issues to tax advice for new forest owners. This why it is key to support the program with \$4 million in funding.

### **NIFA McIntire-Stennis Cooperative Forestry Research**

The forestry research carried out by the nation's land grant universities is funded through the McIntire-Stennis Program. This program provides essential tools and information for family forest owners, and also supports critical family forest research, so that we may identify barriers to stewardship. Finally, it helps train the next generation of forestry professionals to provide forest owners the tools and technical assistance they need. Maintaining the funding level at \$34 million will ensure that the research conducted will help family forest owners improve their stewardship.

### **Joint Chief's Landscape Restoration Partnership**

While we don't offer a specific funding level, we also want to recognize the important work happening through the Joint Chief's Partnership. This Partnership between NRCS and the U.S. Forest Service is making significant strides in landscape-scale conservation—allowing these agencies to work together to cross boundary lines and implement conservation and management at a significant scale. For example, in the Blue Mountains of Oregon, with support from the U.S. Forest Service to conduct outreach and engagement with family forest owners, and with cost-share resources from NRCS, a collaborative of federal and state agencies, university extension

programs, and national, state, and local non-profits are partnering to help landowners restore their forests and reduce their fire risk across nearly 200,000 acres, complementing the work of their neighbors- both public or private- all in an effort to increase by four-fold the pace and scale of cross-jurisdictional forest restoration. This is just one of many examples of the incredible success this initiative is having and will have, not just on individual owners, but on a significant scale to protect water, wildlife, wood supplies, and many other benefits.

Thank you for considering these requests. We recognize that the Subcommittee must find areas to reduce spending, but we hope that the Subcommittee will consider the impact these reductions have on millions of family forest owners, along with all other Americans who benefit from well-managed, working forests. We, at AFF, thank the Subcommittee for the opportunity to provide some insight on these programs, and appreciate consideration of our testimony. If you have any questions or would like additional information please contact Rita Hite at [rhite@forestfoundation.org](mailto:rhite@forestfoundation.org)

**STATEMENT OF THE AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM  
SUBMITTED TO THE U.S. HOUSE OF REPRESENTATIVES - COMMITTEE ON APPROPRIATIONS  
SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG  
ADMINISTRATION, AND RELATED AGENCIES  
March 15, 2016**

This statement includes a summary of our FY 2017 funding requests for increasing the capacity of the 1994 Institutions so that they might truly begin to fulfill their land-grant vision and mission of self-sufficient, place-based peoples employing an Indigenous model that incorporates holistic planning, traditional knowledge, and the integration of education, research, and extension activities.

### **Summary of Requests**

The Equity in Educational Land-Grant Status Act, the legislation that created the 1994 (tribal college) land-grant institutions, was signed into law over two decades ago. In those 20 years, the number of 1994s has grown to 34, but funding for the five 1994-specific programs has grown very little and remains wholly inadequate. We recognize the current economic constraints and believe that the increases recommended in the President's FY 2017 Budget are a solid first step to ultimately achieving a level of equity within the nation's land-grant system. The 1994s' programs are administered by USDA's National Institute of Food and Agriculture (NIFA) and Rural Development. In NIFA, the TCUs request: 1994s' competitive Extension, \$6.7 million in FY 2017; 1994s' competitive Research program, \$3.9 million in FY 2017; 1994s Education Equity Grants, \$3.7 million in FY 2017; a doubling of the corpus in the Native American Endowment fund; and in Rural Development, Rural Community Advancement Program (RCAP), \$8 million for the TCU Essential Community Facilities Grants program to help address the critical facilities and infrastructure needs that advance their capacity to participate as full land-grant partners.

Additionally, funding levels are not the only inequities that exist within the nation's land-grant system. The 1994 institutions are the only federal land-grant institutions that are prohibited from participating in the McIntire-Stennis (forestry) grants program and from competing for Children, Youth and Families at Risk (CYFAR) and Federally Recognized Tribes Extension Program (FRTEP) grants.

- McIntire-Stennis:** In 2008, McIntire-Stennis was amended to include Tribal lands in the formula calculation for funding of *state* forestry programs. However, the 1994 institutions, which are the Tribal Land-Grant colleges, were not included in the funding formula; nor were states required to include them in funding distributions. This oversight is significant, because 75 percent of Tribal land in the U.S. is either forest or agriculture holding. In response to the dearth of American Indian professionals in the forestry workforce in Montana and across the United States, Salish Kootenai College (SKC) launched a Forestry baccalaureate degree program in 2005. In 2013, SKC became the first tribal college land-grant to join the National Association of University Forest Resource Programs, a consortium of 85 forestry schools, the vast majority of which receive McIntire-Stennis funding. However, when SKC recently sought specialty accreditation for its program, the college was told that it was "one forestry researcher short" of the optimum number needed. Participation in the McIntire-Stennis program, even with the required 1-1 match, would help SKC secure the researcher it needs to gain this accreditation. Although currently, only SKC has a baccalaureate degree in forestry, considering the wealth of forested land on American Indian reservations, other such programs could arise at the nation's other 1994 (Tribal College) Land-Grant institutions, to further advance the growth of the Native workforce in this vital area.

- **Children, Youth, and Families at Risk (CYFAR) and Federally Recognized Tribes**

**Extension Program (FRTEP):** The 1994 Institutions are the only land-grant institutions that are statutorily barred from participating in programs administered under Smith-Lever 3(d). However, certain programs therein are intended to address serious situations that are prevalent in Tribal communities. Access to two programs in particular would be especially valuable to the 1994s.

**CYFAR:** In some of the 1994 tribal communities, suicide among Native youth is nine to 19 times as frequent as among other youth. Native youth have more serious problems with mental disorders, including substance abuse and depression, than other youth, and perhaps surprisingly, are more affected by gang involvement than any other racial group. American Indians also have the highest high school drop-out rates in the nation and some of the highest unemployment and poverty rates, as well. Yet, our Native children and youth are the only group in the country essentially excluded from the benefits of the CYFAR program, because the 1994 institutions cannot apply for competitively awarded CYFAR grants. CYFAR supports comprehensive, intensive, community-based programs and promotes building resiliency and protective factors in youth, families, and communities. There is no argument that the 34 Tribal College and University land-grant institutions (1994s) are truly community-based institutions.

**FRTEP:** The USDA's Federally-Recognized Tribes Extension Program is only open to 1862 and 1890 Land-Grants. The program's stated purpose is: "supports extension agents on American Indian reservations and tribal jurisdictions to address the unique needs and problems of American Indian tribal nations. Emphasis is placed on assisting American Indians in the development of profitable farming and ranching techniques, providing 4-H and

Youth development experiences for tribal youth, and providing education and outreach on tribally-identified priorities (e.g., family resource management and nutrition) using a culturally sensitive approach.” Ironically, the 1994 Land-Grants, which are chartered by and directly serve federally recognized American Indian tribes and are located on or near Indian reservations are barred from participating in this program. This apparent oversight in eligibility rights needs to be rectified. A clear step toward recognizing the 1994 Institutions as true partners in the Land-Grant system would be to afford them eligibility to compete for grant funding under the Smith-Lever 3(d) programs, particularly the Children, Youth, and Families at Risk (CYFAR) program; and (2) Federally Recognized Tribes Extension Program (FRTEP). ***We strongly urge the committee to include language in the FY 2017 Agriculture Appropriations bill or accompanying report, to recognize the 1994 Land-Grant Institutions as full partners in the land-grant system by making them eligible to finally participate in these programs open to all other land-grants.***

**Illustration of Inequities in Land-Grant System Funding:** The first Americans were not granted Federal Land-Grant status until 1994. As earlier stated, initial funding of programs established under this Act was very modest and today, over 20 years since the enactment of the Equity in Educational Land-Grant Status Act of 1994, funding remains untenably inadequate. A clear illustration of the inequity in land-grant programs funding can be found in the latest appropriations for land-grant programs. In FY 2016, Congress appropriated \$476M for extension activities. The 1862s (state) received \$300M in formula-driven extension funds; 1890s (18 HBCUs) received \$46M; and 1994s (34 TCUs) received \$4.5M for competitively awarded grants. Further, the 1994s cannot access over \$85.5M in Smith-Lever 3(d) grant funds. These



inequities cannot be justified or allowed to continue. The first Americans, last to join the nation's land-grant family, deserve parity.

### **Programs—Solid Investment in Economic Capacity**

In the past, due to lack of expertise and training, millions of acres on Indian reservations lay fallow, underused, or had been developed using methods that caused irreparable damage. The Equity in Educational Land-Grant Status Act of 1994 is helping to address this situation and is our hope for the continued improvement of our reservation lands. Our current land-grant programs remain very small, yet critically important to us. It is essential that American Indians explore and adopt new and evolving technologies for managing our lands and natural resources. With increased capacity and program funding, we will become even more fundamental contributors to the agricultural base of the nation and the world.

### **Conclusion**

The 1994s have proven to be efficient and effective vehicles for bringing educational and career opportunities to American Indians/Alaska Natives and the promise of self-sufficiency to some of this nation's poorest and most underserved regions. The small federal investment in the 1994s has already paid great dividends in terms of increased employment, access to quality higher education, and economic development. American Indian reservation communities are second to none in their potential for benefiting from effective land-grant programs; and no institutions better exemplify the original intent of Senator Morrill's land-grant concept than the 1994s. We truly appreciate your support and recognition of the 1994s' important role in the nation's land-grant system. We ask you to renew your commitment to help move our students and communities toward self-sufficiency and request your full consideration of our FY 2017 appropriations requests.

**Written Testimony**

Andrew W. LaVigne  
President and CEO  
American Seed Trade Association

House Appropriations Committee  
Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related  
Agencies

Submitted via E-mail to [ag.approp@mail.house.gov](mailto:ag.approp@mail.house.gov)

**FY17 Appropriations Request—Support for Funding for Research Programs**

The American Seed Trade Association respectfully submits the following requests for the U.S. Department of Agriculture fiscal year 2017 appropriations. Founded in 1883, ASTA's mission is to enhance the development and movement of quality seed worldwide. ASTA's diverse membership consists of over 700 companies involved in seed production, distribution, plant breeding and related industries in North America. ASTA represents all varieties of seeds, including grasses, forages, flowers, vegetables, row crops and cereals. For more information about this request, please contact Jane DeMarchi, Vice President for Government and Regulatory Affairs at the American Seed Trade Association at [jdemarchi@amseed.org](mailto:jdemarchi@amseed.org).

USDA intramural research programs conduct research that requires a long-term investment leading to high-impact payoff. Management and utilization of vast collections of genetic resources are the type of research that can't be done by an individual university or company. It is important that Congress recognize how vital these collections are to the ability of the U.S. to provide the essential materials for food, feed, and fiber for the world.

**Agricultural Research Service  
National Plant Germplasm System (NPGS)  
Request: At least \$44 million**

The Agricultural Research Service (ARS) National Plant Germplasm System (NPGS), a network of 26 labs that preserve the genetic diversity of crop plants, is a critical resource for scientists to access genetic diversity. This access helps bring forth new varieties that can resist pests,

diseases, and environmental stresses for all types of cropping systems, including organic, conventional and biotech. In addition, it is a vital resource for horticulture and conservation research.

The NPGS is currently funded at approximately \$44 million. This amount is insufficient to maintain and distribute the collections to U.S. researchers who are developing varieties for conventional and organic farmers and other landscape uses. ASTA recommends increasing funding for the NPGS so it can better fulfill its mission.

**Agricultural Research Service**  
**National Plant Germplasm System (NPGS)**  
**Germplasm Enhancement of Maize (GEM)**  
**Request: \$2.7 million**

The Germplasm Enhancement of Maize (GEM) program within the funding for the ARS NPGS focuses on adapting exotic corn germplasm for use in the U.S. and on identifying useful genetics in exotic landraces to develop new hybrids. These resources are then made available to any breeders who request them. Over 500 inbred lines have been released to date. Because these materials are adapted to temperate U.S. conditions, U.S. seed companies are saved 6-8 years in the breeding cycle.

The continued success of American agriculture is intimately linked to corn production. USDA estimates that 13.6 billion bushels were harvested in 2015. However, U.S. corn production is based predominantly on two races of maize from more than 250 New World races. This limited genetic diversity renders the U.S. corn crop, and therefore, the global food supply, more vulnerable to attack by new diseases. The GEM materials can play an important role in fighting new diseases in the U.S. and globally. Examples include the catastrophic Maize Lethal Necrosis which is causing significant crop losses in Africa, and Late Wilt, a very devastating disease in Egypt which has now been reported in Spain.

GEM is a model public-private partnership between the federal government, universities, and companies of all sizes. In addition to its significant research contributions, GEM also facilitates development of future researchers. So far, the GEM project has trained 18 Ph.D. and 14 M.S. students. The current funding for GEM is approximately \$1.6 million. Private industry provides over \$625,000 of in-kind support annually for this effort, and industry germplasm contributions to GEM are currently valued at over \$3 billion.

Demand for maize germplasm continues to increase, and GEM has already distributed more than 21,000 seed samples. ASTA supports an increase in GEM funding for both research and operations costs, and the need to establish consistent winter nurseries for seed increases and

regeneration. We recommend increasing funding of the Germplasm Enhancement of Maize to \$2.7 million.

**GEM Private Cooperators:**

3rd Millennium Genetics	Santa Isabel, Puerto Rico
AgiWise, L.L.C.	Ames, IA
AgReliant Genetics, LLC,	Lebanon, IN
BASF Plant Science Breeding, L.L.C.	Research Triangle Park, NC
Beck's Superior Hybrids, Inc.	Atlanta, IN
Brownseed Genetics	Bay City, WI
CRD Advisors, LLC	Kelley, IA
DKD Genetics, Inc.	Vincennes, IN
Dow AgroSciences	Indianapolis, IN
DuPont Pioneer	Johnston, IA
FFR Cooperative	Lafayette, IN
Forage Genetics	Nampa, ID
Genetic Enterprises Int'l	Luther, IA
Global Investors, LP	Des Moines, IA
Hoegemeyer Enterprises	Hooper, NE
Ingredion Inc.	Indianapolis, IN
Illinois Foundation Seeds, Inc.	Tolono, IL
JFS and Associates, LTD	Harlan, IA
MBS Genetics, LLC.	Story City, IA
Monsanto Company	St. Louis, MO
PANNAR Seed	Johnston, IA
Professional Seed Research, Inc.	Sugar Grove, IL
SEEDirect	Woodstock, IL
Summit Genetics	Carroll, IA
Syngenta Seeds, Inc.	Minnetonka, MN
Terrell Seed Research	Wabash, IN
Trimble Genetics International, LLC	Johnstown, IA
Wyffels Hybrids	Geneseo, IL

**National GEM Public Cooperators:**

Cornell University  
 Iowa State University  
 Louisiana State University  
 North Carolina State University  
 North Dakota State University

Ohio State University  
 Purdue University  
 Texas A&M University  
 The University of Delaware  
 The University of Illinois  
 The University of Missouri  
 The University of Nebraska  
 The University of Tennessee  
 The University of Wisconsin  
 Truman State University  
 USDA-ARS multiple locations

**USDA-Natural Resources Conservation Service  
 Plant Material Centers  
 Request: \$14.5 million**

ASTA recommends that the USDA-NRCS Plant Material Centers be fully-funded at \$14.5 million. The network of 25 PMCs across the country seek out and test plants and plant technologies that restore and sustain healthy natural regional ecosystems. A key function of the centers is to evaluate plants for conservation traits and to make these materials available to commercial growers, who in turn provide plant materials to the public.

The materials developed by the Plant Material Centers are critical to many USDA goals, including improving soil health, increasing pollinator and wildlife habitat and expanding the availability of new cover crop solutions.

Nationwide, 500 of the 700 releases from the PMCs are currently under commercial production. This work can't be duplicated by the private sector seed industry, which lacks the resources to develop and test materials to address such an extensive range of concerns for the entire United States.



**AMERICAN  
SOCIETY FOR  
MICROBIOLOGY**

*Public and Scientific Affairs Board*

Statement of the American Society for Microbiology  
Submitted to the House Committee on Appropriations, Subcommittee on Agriculture,  
Rural Development, Food and Drug Administration, and Related Agencies  
On the Fiscal Year 2017 Appropriation for the Food and Drug Administration

March 10, 2016

The American Society for Microbiology (ASM) recommends that Congress appropriate at least an additional \$100 million for the Food and Drug Administration (FDA) in the FY 2017 budget. This increase would fund the FDA at \$2.8 billion, instead of the \$2.7 billion, or 1 percent increase, proposed by the Administration. Although the total FDA budget, which relies heavily upon user fees, is \$4.8 billion, \$80 million over FY 2016, the Administration's proposed budget would result in flat or lower funding for numerous FDA programs that continue to grow in order to protect the public health and safety and because of legislated responsibilities. FDA regulated products account for about 20 cents of each consumer dollar. FDA oversees all drugs, vaccines, medical devices and cosmetics as well as 80 percent of the nation's food supply. Every year, these product sectors are increasing in volume, diversity and global sourcing and intensifying FDA's regulatory role. The ASM believes it is critical to appropriate additional federal appropriations for the FDA.

The ASM appreciates that the FDA request does include funding earmarked for important efforts like food safety, the Cancer Moonshot and precision medicine. However, we are disappointed by the lack of substantial increased support for public health related problems under FDA purview, such as the threat of growing drug resistance among infectious diseases and a more forceful implementation of the 2011 Food Safety Modernization Act (FSMA) passed by Congress.

The ASM asks that Congress provide FDA with the resources needed to fulfill its mission to safeguard the public health, contribute to the discovery of new health care and consumer products, and boost US global competitiveness in science and technology.

### **FDA Actions Protect and Serve Public Health**

In the past year, FDA efforts have targeted Zika and Ebola viruses, infections acquired in health care settings and nontherapeutic antibiotic use in food animals. Contaminated cucumbers, cilantro, ice cream and salad greens were among the newsworthy causes of foodborne outbreaks reminding us that foodborne illnesses require rapid FDA responses. FDA has unique input into the health care continuum, by evaluating the safety and efficacy of new and marketed drugs, vaccines, medical devices and other products for human and animal use. As of February, the agency's evaluation of Ebola related products had included at least ten diagnostics and three vaccine candidates, clinical trials of the ZMapp therapeutic and review of unsuccessful drug candidates and blood donor Ebola guidance issued in December. The agency had fast tracked evaluation of ZMapp, granting it an "orphan drug" designation to accelerate testing of the experimental drug. Its collaborative efforts with other stakeholders stimulated R&D on possible countermeasures and broadened patient access to better health care. FDA has begun work on improved Zika diagnostics, including assays built upon reverse transcription polymerase chain reaction (RT-PCR). FDA is also evaluating proposed vector control through genetically engineered mosquitoes. When new candidate vaccines and drugs have been developed, the FDA will be ready to expedite their review as well.

In 2015, FDA issued approvals for 56 new drugs and biologics, compared to 50 in 2014. Among the approved products are treatments for hepatitis C, multiple myeloma, HIV infection and plague as well as a vaccine for use after anthrax exposure. Two other drugs were the fifth and sixth approved under the Qualified Infectious Disease Product protocol for rare but serious infections, aimed at stimulating drug R&D through priority review. Also approved were a diagnostic test to differentiate among types of HIV infection and an improved duodenoscope design to reduce infection risk during medical procedures.

In the United States, nearly 40% of our finished drugs and 80% of active ingredients used in drug manufacture are imported. The heightened global sourcing of US consumer products is clear to any shopper, but the chore of FDA oversight is far more complex. FDA regulated products originate from more than 200 countries, entering through more than 300 US ports. FDA estimates that shipments have more than tripled in the past decade, from 8 million import entry lines per year to more than 29 million today. At present, fewer than 2 percent of incoming shipments are inspected by the available FDA staff, often cited as proof of FDA budget shortfalls.

The ASM recognizes the monumental task of guaranteeing our food supply's safety and security. Chronically understaffed, FDA foods inspection, regulatory and investigation programs are challenged daily. FDA registered food producing and manufacturing sites comprise 133,000 foreign and 97,000 domestic facilities. FDA currently has resources to inspect about 1,000 foreign facilities per year. The Department of Agriculture (USDA) estimates that foods grown or processed outside the country account for about 20 percent of the US food supply, including about half of fresh fruits, 20 percent of fresh vegetables and 80 percent of seafood.

Last fall, FDA finalized five of the seven major rules that implement the core mandates of the FSMA legislation. Following huge effort by the agency, interagency partners and public comment, the rules address both domestic and foreign sources. Two of the preventive controls rules focus on modern food manufacturing processes for both human and animal foods, holding food companies more accountable for monitoring facilities. The third rule establishes science based standards to reduce contamination in produce, a frequent source of foodborne illnesses. The others specifically target imports through the Foreign Supplier Verification Program and accreditation of third party certification bodies to audit foreign foods and facilities. The ASM acknowledges the effort leading to these crucial food safety measures. However, the most effective implementation of FSMA goals depends upon both cutting edge FDA science and adequate fiscal support.

### **FDA Science Advances Product Safety**

In September, the advisory FDA Science Board released its in depth report on the current state of FDA science, *Mission Possible: How FDA Can Move at the Speed of Science*.



Report authors were tasked to evaluate how FDA can best review products from emerging and future trends in science and technology, elevate its own scientific culture, and leverage collaborations with other stakeholders. Also included was assessment of intra-agency progress made since the Board's 2007 report, *FDA Science and Mission at Risk*. The report commended proactive moves like the new Office of the Chief Scientist and FDA offices in other countries, plus the effort to better regulate cutting edge technologies like genome sequencing, computing and stem cells.

The ASM agrees with the report's warning that some serious problems persist, indictments of ongoing funding shortfalls. Noted examples are failures to allocate the substantial amounts of FDA funding needed for the FSMA mandate's complete implementation and FDA's own scientific methods and technologies too often lagging behind industry and others. As the agency responsible for the safety and efficacy of huge consumer sectors, FDA clearly must have routine access to the latest science and technologies to best serve the public. The US responses to the 2014-2015 Ebola epidemic, and now the Zika virus, rely upon FDA science to help guide policy development, facilitate clinical trials and undertake fast track reviews of candidate drugs, diagnostics and vaccines. More broadly, next-generation diagnostics now being developed by industry often are based upon metagenomic sequencing that FDA must be prepared to evaluate. Another instance of FDA activities that must be based on sound science is reviewing foods from genetically engineered (GE) plants and animals. In November, FDA announced its approval of GE salmon, the agency's first for a GE animal for human consumption, as well as related guidance documents on labeling. It also released a final guidance for labeling foods derived from GE plants. Beyond the needed laboratory expertise, FDA regulatory actions increasingly require newer types of highly sought technical personnel like bioinformaticians.

Since 2008, the FDA foods program has utilized whole genome sequencing (WGS) to identify the microbial causes of foodborne illnesses faster and more accurately. Continued WGS improvements are dramatically reducing times required for identification from 14 days to just a few days, as well as pinpointing the source of

outbreaks down to the farm or facility level. Last year, WGS was used extensively in outbreak investigations, linking contaminated imported cucumbers to a few specific firms and *Listeria* infections to certain ice cream manufacturers. FDA established the first national lab network of whole genome sequencers, called GenomeTrakr, which has accumulated more than 43,000 sequenced microbial isolates since 2013. FDA scientists are also using other next generation technologies like flow cytometry and fluorescence. FDA recently reduced the average number of days to serotype food pathogens to three days.

### **FDA Partnerships Support National Initiatives, Legislation**

Under its regulatory role, FDA reinforces multiple national efforts against threats to our collective health and quality of life. Some, like FSMA implementation, require extensive FDA actions that seriously stretch agency resources. Another example is FDA's participation in the National Action Plan for Combating Antibiotic Resistant Bacteria (CARB) and other efforts to address rising drug resistance among pathogens. Related FDA efforts encompass the areas of drugs, biologics, medical devices, and veterinary medicine. In 2015, the agency published its final Veterinary Feed Directive rule and an industry guidance to further promote judicious use of antimicrobials in food producing animals, placing their use under veterinary supervision.

To support the newly launched National Cancer Moonshot Initiative, FDA will develop a virtual Oncology Center of Excellence, to leverage collective expertise in drugs, biologics and medical devices to expedite R&D of novel products. The Center additionally will contribute to FDA's current support of the 2015 Precision Medicine Initiative, under which FDA has already approved a targeted therapy and companion diagnostic test for certain lung cancers.

The ASM appreciates that some FDA responsibilities would receive earmarked funding in the FY 2017 budget, but we urge Congress to increase federal appropriations for the FDA, which includes so many programs that have needs and are critical to public health and safety.



American Society for Nutrition  
*Excellence in Nutrition Research and Practice*

March 15, 2016

Outside Witness Testimony from Patrick J. Stover, Ph.D.

2015-2016 President, American Society for Nutrition

Professor and Director, Division of Nutritional Sciences, Cornell University

The Honorable Robert Aderholt

Chairman

Appropriations Subcommittee on

Agriculture, Rural Development, Food  
and Drug Administration, and Related

Agencies

U.S. House of Representatives

Washington, DC 20515

The Honorable Sam Farr

Ranking Member

Appropriations Subcommittee on

Agriculture, Rural Development, Food  
and Drug Administration, and Related

Agencies

U.S. House of Representatives

Washington, DC 20515

Dear Chairman Aderholt and Ranking Member Farr:

**The American Society for Nutrition (ASN) respectfully requests that the U.S. Department of Agriculture (USDA)/ National Institute of Food and Agriculture/ Agriculture and Food Research Initiative receive \$700 million and that the USDA/ Agricultural Research Service receive \$1.161 billion in fiscal year (FY) 2017, the Administration's proposed funding levels. ASN has more than 5,000 members working**

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throughout academia, clinical practice, government, and industry, who conduct research to advance our knowledge and application of nutrition.

### **Agriculture and Food Research Initiative**

The USDA has been the lead nutrition agency and the most important federal agency to influence U.S. dietary intake and food patterns for years. Agricultural research is essential to address the ever-increasing demand for a healthy, affordable, nutritious and sustainable food supply. The Agriculture and Food Research Initiative (AFRI) competitive grants program is charged with funding research, education, and extension and integrated, competitive grants that address key problems of national, regional, and multi-state importance in sustaining all components of agriculture. These components include human nutrition, farm efficiency and profitability, ranching, renewable energy, forestry (both urban and agro forestry), aquaculture, food safety, biotechnology, and conventional breeding. AFRI has funded cutting-edge, agricultural research on key issues of timely importance on a competitive, peer-reviewed basis since its establishment in the 2008 Farm Bill. Adequate funding for agricultural research is critical to provide a safe and nutritious food supply for the world population, to preserve the competitive position of U.S. agriculture in the global marketplace, and to provide jobs and revenue crucial to support the U.S. economy.

In order to achieve those benefits, AFRI must be able to advance fundamental sciences in

support of agriculture and coordinate opportunities to build off of these discoveries.

**Therefore, ASN requests that the AFRI competitive grants program be fully funded at \$700 million in FY 2017,** the Administration's proposed funding level for AFRI which would double AFRI funding. Current flat and decreased funding for AFRI hinders scientific advances that support agricultural funding and research.

### **Agricultural Research Service**

The Agricultural Research Service (ARS) is the Department of Agriculture's lead scientific research agency. The ARS conducts research to develop and transfer solutions to agricultural problems of high national priority. USDA's program of human nutrition research is housed in six Human Nutrition Research Centers (HNRCs) across the nation, that link producer and consumer interests and form the core for building knowledge about food and nutrition. HNRCs conduct unparalleled human nutrition research on the role of food and dietary components in human health from conception to advanced old age, and they provide authoritative, peer-reviewed, science-based evidence that forms the basis of our federal nutrition policy and programs. Funding for ARS supports all of the USDA/ HNRCs and ensures that these research facilities have adequate funding to continue their unique mission of improving the health of Americans through cutting-edge food, nutrition and agricultural research.

Nutrition monitoring conducted in partnership by the USDA/ ARS with the Department of Health and Human Services (HHS) is a unique and critically important surveillance function in which dietary intake, nutritional status, and health status are evaluated in a rigorous and standardized manner. (ARS is responsible for food and nutrient databases and the “What We Eat in America” dietary survey, while HHS is responsible for tracking nutritional status and health parameters.) Nutrition monitoring is an inherently governmental function and findings are essential for multiple government agencies, as well as the public and private sector. Nutrition monitoring is essential to track what Americans are eating, inform nutrition and dietary guidance policy, evaluate the effectiveness and efficiency of nutrition assistance programs, and study nutrition-related disease outcomes. Because of past funding deficiencies, some food composition database entries do not reflect the realities of the current food supply, which may negatively impact programs and policies based on this information. It is imperative that needed funds to update USDA’s food and nutrient databases and the “What We Eat in America” dietary survey, both maintained by the USDA/ ARS, are appropriated to ensure the continuation of this critical surveillance of the nation’s nutritional status and the many benefits it provides.

It is the job of ARS to ensure high-quality, safe food, and other agricultural products; assess the nutritional needs of Americans; sustain a competitive agricultural economy; enhance the natural resource base and the environment; and provide economic

opportunities for rural citizens, communities, and society as a whole. **Therefore, ASN requests that ARS receive \$1.161 billion in FY 2017**, with Congress directing the use of some of these funds for both intra- and extramural human nutrition research.

Resources above current funding levels are necessary to ensure the critical surveillance of the nation's nutritional status and continuation and expansion of translational research to determine dietary and nutritional needs to ensure optimal health across the life span, and to continue the many other benefits that ARS provides. With adequate funding, the ARS will be able to support its vision of leading America towards a better future through agricultural research and information.

Thank you for the opportunity to submit testimony regarding FY 2017 appropriations for the U.S. Department of Agriculture/ National Institute of Food and Agriculture/ AFRI competitive grants program and Agricultural Research Service. Please contact John E. Courtney, Ph.D., Executive Officer, at [jcourtney@nutrition.org](mailto:jcourtney@nutrition.org) if ASN may provide further assistance.

Sincerely,

Patrick J. Stover, Ph.D.

2015-2016 President, American Society for Nutrition



American Society of Agronomy • Crop Science Society of America • Soil Science Society of America

5585 Guilford Road, Madison WI 53711-5801 • Tel. 608-273-8080 • Fax 608-273-2021  
[www.agronomy.org](http://www.agronomy.org) • [www.crops.org](http://www.crops.org) • [www.soils.org](http://www.soils.org)

March 4, 2016

The Honorable Robert Aderholt  
 Chairman, Subcommittee on Agriculture,  
 Rural Development, FDA, and Related Agencies  
 Committee on Appropriations  
 U.S. House of Representatives  
 Washington, DC 20515

The Honorable Sam Farr  
 Ranking Member, Subcommittee on Agriculture,  
 Rural Development, FDA, and Related Agencies  
 Committee on Appropriations  
 U.S. House of Representatives  
 Washington, DC 20515

Dear Chairman Aderholt and Ranking Member Farr:

The American Society of Agronomy (ASA), Crop Science Society of America (CSSA) and Soil Science Society of America (SSSA), represent over 18,000 scientists in academia, industry, and government, 12,500 Certified Crop Advisers (CCA), and over 700 Certified Professional Soil Scientist (CPSS), as the largest coalition of professionals dedicated to the agronomic, crop and soil science disciplines in the United States.

The Nation's economic prosperity and security depend on our dedication to developing innovative, science-based solutions to meet our growing agricultural needs. Since 1948, total U.S. agricultural output more than doubled. Over the same period, the U.S. population also more than doubled. The ability of the farm sector to feed far more people today while using less farmland than six decades ago is attributed to increases in agricultural productivity. The major driver of growth in agricultural productivity is innovation. **Average rates of return to public investments in agricultural research range from 20 to 60 percent.**

For fiscal year 2017, we support the following areas of the Department of Agriculture's (USDA) Research, Education, and Economics (REE) division, in which innovation is a core mission area:

**\$1.256 billion for the Agricultural Research Service (ARS)**, USDA's intramural programs which conduct research and provide access to scientific information to solve national agriculture problems of high priority. ARS intramural research is uniquely suited to conduct research that requires a long term investment leading to high-impact payoff, while maintaining the capacity and readiness to respond to emerging and pressing problems.

**\$1.704 billion for the National Institute of Food and Agriculture (NIFA)**, USDA's suite of extramural programs whose primary role is to provide a link between federal and state research initiatives through partnerships with educational institutions and competitive grant programs.

Within NIFA, we specifically support:



**\$700 million for Agriculture and Food Research Initiative (AFRI).** AFRI is the premier competitive grants program for fundamental and applied research, extension, and education to support of our nation's food and agricultural systems. In the 2014 Farm Bill, Congress authorized \$700 million for AFRI. Meeting this commitment will help attract the next generation of scientists and advance innovations benefiting all Americans.

In the last four years, the USDA-NIFA Agriculture and Food Research Initiative (AFRI) review process identified \$3.85 billion in grants worthy of funding. However, with a limited annual budget, the program could only award \$950 million—**less than a quarter of the science that the program's expert panels deemed worthy**—leaving thousands of innovative projects unfunded.

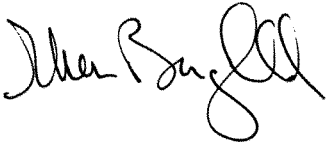
**\$256 million for Hatch Act formula funding,** which supports agricultural research conducted at state agricultural experiment stations located within our nation's great land-grant colleges and universities.

**\$304 million for Smith-Lever 3(b) and (c) funding** that supports the extension program. The ability to translate and disseminate research findings as widely and quickly as possible is critical to our ability to address emerging agricultural issues.

These investments are essential to meeting 21<sup>st</sup> century challenges in public health, food production, national security and global competitiveness. A strong commitment to federally funded scientific research will boost the Nation's capacity for innovation, agricultural productivity and economic prosperity.

Thank you for your consideration. For additional information, please contact Karl Anderson, Director of Government Relations, at [kanderson@sciencesocieties.org](mailto:kanderson@sciencesocieties.org) or 202-408-5382.

Sincerely,



Ellen Bergfled, CEO  
American Society of Agronomy  
Crop Science Society of America  
Soil Science Society of America

Cc:  
Members of the House Appropriations, Subcommittee on Agriculture, Rural Development, FDA, and Related Agencies

Contact: Tyrone Spady, PhD  
Email: [tspady@aspb.org](mailto:tspady@aspb.org)



# American Society of Plant Biologists

*Cultivating a better future through plant biology research*

## **Official Written Testimony in Support of the U.S. Department of Agriculture's Fiscal Year 2017 Budget**

Submitted to the Appropriations Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies

U.S. House of Representatives

Submitted by

Tyrone C. Spady, PhD, Director of Legislative and Public Affairs

American Society of Plant Biologists

March 15, 2016

On behalf of the American Society of Plant Biologists (ASPB), we submit this statement for the official record in support of funding for agricultural research by the U.S. Department of Agriculture (USDA). ***ASPB supports the FY 2017 requested level of \$700 million for the Agriculture and Food Research Initiative (AFRI), which administers competitive funding for innovative research on issues such as food security, global health, and renewable energy. ASPB also supports the FY 2017 requested level of \$1.286 billion for the Agricultural Research Service (ARS).***

This testimony highlights the critical importance of plant biology research and development to addressing vital issues including: achieving a sustainable food supply and food

security; energy security, attaining reduced reliance on all petrochemical products through game-changing sustainable renewable biomass utilization approaches; and protecting our environment.

### **Food, Fuel, Environment, and Health: Plant Biology Research and America's Competitiveness and Self-sufficiency**

We often take plants for granted, but they are vital to our very existence, competitiveness, and self-sufficiency. New plant biology research is now addressing the most compelling issues facing our society, including: identifying creative and imaginative approaches to reaching Congress's goals of achieving domestic fuel security/self-sufficiency; environmental stewardship; sustainable and secure development of even better foods, feeds, building materials, and a host of other plant products used in daily life; and improvements in the health and nutrition of all Americans.

Our bioeconomy and federal partnership is based upon foundational plant biology research—the strategic research USDA funds—to make needed key discoveries. Yet limited funding committed to basic discovery now threatens our national security and leadership. Indeed, Bill Gates wrote, “Given the central role that food plays in human welfare and national stability, it is shocking—not to mention short-sighted and potentially dangerous—how little money is spent on agricultural research.”<sup>1</sup> This is especially true considering the significant positive impact crop and forest plants have on the nation's economy (the agricultural sector is responsible for one in 12 American jobs<sup>2</sup>).

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<sup>1</sup> Gates, Bill. (Jan 2012). *2012 Annual Letter from Bill Gates*. Retrieved from <http://www.gatesfoundation.org/annual-letter/2012/Pages/home-en.aspx>.

<sup>2</sup> Vilsack, Tom. (Mar. 9, 2012). *Public Comments Before PCAST*. Retrieved from [http://www.tvworldwide.com/events/pcast/120309/globe\\_show/default\\_go\\_archive.cfm?gsid=1977&type=flv&test](http://www.tvworldwide.com/events/pcast/120309/globe_show/default_go_archive.cfm?gsid=1977&type=flv&test).

Given these concerns and our nation's fiscal situation, the plant science community has been working toward addressing our nation's looming challenges. With funding from USDA, the National Science Foundation, the Department of Energy, and the Howard Hughes Medical Institute, ASPB brought together representatives from across the full spectrum of plant science research to develop a community agenda document, *Unleashing a Decade of Innovation in Plant Science: A Vision for 2015-2025* ([plantsummit.files.wordpress.com/2013/07/plantsciencedecadalvision10-18-13.pdf](http://plantsummit.files.wordpress.com/2013/07/plantsciencedecadalvision10-18-13.pdf)). The report, part of an ongoing and iterative process, puts forth a ten-year consensus plan to fill critical gaps in our understanding of plant biology toward addressing the grand challenge of sustainably feeding the world and providing other useful plant products in the face of burgeoning population growth, diminishing natural resources, and climate change.

### **Immediate Recommendations**

The ASPB membership has extensive expertise and participation in the academic, industry, and government sectors. Consequently, ASPB is in an excellent position to articulate the nation's plant science priorities and standards needed as they relate to agriculture. Our recommendations are as follows:

- Since the establishment of the National Institute of Food and Agriculture (NIFA) and AFRI, interest in USDA research has increased dramatically—a trend ASPB hopes to see continue in the future. However, an increased, strategic and focused investment in competitive funding and its oversight is needed if the nation is to continue to make ground-breaking discoveries and accelerate progress toward resolving urgent national

priorities and societal needs. ***ASPB encourages the Committee to fund AFRI at the requested \$700 million level in FY 2017.***

- The Agricultural Research Service (ARS) provides vital strategic research to serve USDA's mission and objectives and as well as the nation's agricultural sector. The need to bolster and enhance ARS efforts to leverage and complement AFRI is great given the challenges in food and energy security. ***ASPB is supportive of a strong ARS and recommends a congressional appropriation of the requested \$1.286 billion in FY 2017.***
- USDA has focused attention in several key priority areas, including water for food production, food safety, childhood obesity, climate variability and change, and sustainable energy. Although ASPB appreciates the value of such strategic focus, ***we give our most robust support for AFRI's Foundational Program. This program provides a basis for outcomes across a wide spectrum, often leading to groundbreaking developments that cannot be anticipated in advance. Indeed, it is these discoveries that are the true engine of success for our bioeconomy.***
- Current estimates predict a significant shortfall in the needed agricultural scientific workforce as the demographics of the U.S. workforce change.<sup>3</sup> For example, there is a clear need for additional training of scientists in the areas of interdisciplinary energy research and plant breeding. ***ASPB applauds the ongoing support of the NIFA Fellows program and calls for additional funding for specific programs (e.g., training grants and fellowships) to provide this needed workforce over the next 10 years and to***

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<sup>3</sup> President's Council of Advisors on Science and Technology. (Dec. 2012). *Report to the President on Agricultural Preparedness and the Agricultural Research Enterprise*, p. 41. Retrieved from [http://www.whitehouse.gov/sites/default/files/microsites/ostp/pcast\\_agriculture\\_20121207.pdf](http://www.whitehouse.gov/sites/default/files/microsites/ostp/pcast_agriculture_20121207.pdf).

***adequately prepare these individuals for careers in the agricultural research of the future.***

- Considerable research interest is now focused on the use of plant biomass for energy production. However, if we are to use crops and forest resources to their full potential, we must expend extensive effort to improve our understanding of their underlying biology and development, their agronomic performance, and their subsequent processing to meet our goals. Therefore, ***ASPB calls for additional funding targeted at efforts to increase the utility and agronomic performance of bioenergy crops using the best and most imaginative science and technologies possible.***
- ***ASPB encourages some flexibility within NIFA's budget to update and improve its data management capabilities.***

Thank you for your consideration of ASPB's testimony. For more information about ASPB, please visit us at [www.aspb.org](http://www.aspb.org).

**The House Appropriations Committee Agriculture, Rural Development, Food and Drug  
Administration, and Related Agencies  
FY2017 Appropriations Request Form**

Witness Name: Stephen Faehner  
Position: Chief Executive Officer  
Organization: American Wood Fibers, Inc.  
Email Address: [sfaehner@awf.com](mailto:sfaehner@awf.com)

**Program Information**

1. Program title or area:            **Bioenergy Program for Advanced Biofuels**  
2a. Under which federal agency and office does this program fall?

**US Department of Agriculture**

- 2b. Under which Appropriations subcommittee and account does this federal program fall *(if known)*?

**Subcommittee on Agriculture Appropriations , Section 9005 of the Energy Title of the Farm Bill**

3. Summary of program request *(provide narrative description, including specific benefits to New Hampshire)*:

**I ask for your support for a supplemental FY2017 appropriation of \$20 million in support of the Bioenergy Program for Advanced Biofuels, section 9005 of the 2014 Farm Bill (HR. 2642).**

This program was originally authorized in the 2008 Farm Bill. It provides modest support for producers of advanced biofuels in the form of producer payments based on actual production and a complex allocation formula. The 2014 Farm Bill authorized \$15 million in mandatory funding but also an authorization for supplemental discretionary funding of up to \$20 million each fiscal year. In FY15 and FY16 there was no supplemental appropriation. This funding level is down from a peak of \$105 million in FY 2012. This significant reduction in funding, combined with many more qualified producers (mostly liquid biofuels produced in big commodity grain states), and USDA's arbitrary funding formula which heavily favors producers of liquid advanced biofuels, has resulted in very low payments to American Wood Fibers and other manufacturers of densified advanced biofuels such as wood pellets.

In the 2015 Omnibus/Tax Bill (Consolidated Appropriations Act, 2016), Senator Susan Collins included report language directing USDA to review the allocation formula and restore greater equity in allocation of available funding to all qualified advanced biofuels. Congresswoman Kuster is well aware of this issue and along with Congressman Bruce Westerman wrote an excellent letter to Secretary Vilsack in September, 2015 asking that his agency expedite its review of this inequity. We understand that USDA has engaged an outside consultant group to make recommendations on a more equitable allocation formula. We eagerly await the results of this review. Your efforts have made a difference in the attention USDA is now giving this issue.

Regardless of the allocation formula, a supplemental appropriation on top of mandatory funding will help improve the benefits of this program to qualified advanced biofuel producers. While generally a good thing for consumers, the impact of dramatically lower fossil fuel prices over the last year on the competitive viability of many advanced biofuels cannot be over-stated. Given the continued billions in subsidies and tax credits our government provides the fossil fuel industry, in myriad ways, a modest \$20

million supplemental appropriation for section 9005 to help advanced biofuels compete in a very difficult market is warranted and would provide vital and timely support.

4. Prior program funding levels:      FY2016 **\$15 million in mandatory funding under Farm Bill**  
 FY2015 **\$15 million in mandatory funding under Farm Bill**      FY2014 **\$not sure**  
**This request is for supplemental discretionary funding as authorized by Farm Bill.**

### Appropriations Request

5a. Which type of request are you making?    ☒ Programmatic Funding    ☐ Language  
*If you answered "Programmatic Funding," please proceed to 5b. If you answered "Language," please skip to 5c.*

5b. Please check one of the following boxes indicating the funding level you are requesting for this federal program in FY2016:

☒ The President's FY2017 budget request – **this is mandatory funding**    ☐ The FY2016 enacted level  
☒ New funding level request: **\$20 million, authorized level of discretionary funding**    ☐  
 General support for the program

5c. Please attach or provide below the language you wish to be included in the FY2016 appropriations bill.

☐ Bill Language    ☐ Report Language  
 Proposed language (if not attached):

6. If this is a Defense-related request, please provide the appropriate line number and Program Element (PE) number here.

7. If you are submitting more than one request, please list the appropriations requests in priority order from highest to lowest (i.e. 1 of 3).

*Disclaimer — By providing the above information, I understand that this is for informational purposes only and is not, of itself, an application for federal funding. Submission of this information does not constitute a binding commitment on any party nor a guarantee that any organization will be awarded funding from any federal agency through this process.*

### SUBMITTED BY

Name:    **Stephen Faehner**

Date:    **March 10, 2016**



February 22, 2016

The Honorable Harold Rogers  
Chairman  
Committee on Appropriations  
United States House of Representatives  
Washington, DC 20515

The Honorable Nita Lowey  
Ranking Member  
Committee on Appropriations  
United States House of Representatives  
Washington, DC 20515

The Honorable Robert Aderholt  
Chairman, Agriculture Subcommittee  
Committee on Appropriations  
United States House of Representatives  
Washington, DC 20515

The Honorable Sam Farr  
Ranking Member, Agriculture Subcommittee  
Committee on Appropriations  
United States House of Representatives  
Washington, DC 20515

Dear Chairman Rogers, Chairman Aderholt, Ranking Member Lowey, and Ranking Member Farr,

The Animal Agriculture Coalition (AAC) writes to urge your consideration of its views and recommendations for the fiscal year 2017 Agriculture, Rural Development, Food and Drug Administration budget. The AAC is comprised of most major animal and animal-related commodity organizations as well as allied organizations representing veterinary medicine, animal science and various livestock or animal agricultural interests in the U.S.

A successful, healthy, and strong U.S. agriculture industry is reliant on federal funding that supports the U.S. Department of Agriculture (USDA) and Food and Drug Administration's (FDA) programs. These programs play a vital role in our daily lives by ensuring a safe and plentiful food supply, defending Americas animal and plant resources from agricultural pests and diseases, and advancing agriculture research.

The AAC urges Congress to invest in the following agencies and programs:

**The National Action Plan for Combating Antibiotic Resistant Bacteria (CARB)**

The President's budget has included a large request for funding on the issue of antibiotic resistance across the government. The AAC strongly supports the Administration's request for an additional \$35 million for the USDA and \$1 million for the FDA–Center for Veterinary Medicine (CVM) for research, monitoring, and surveillance under the CARB strategy.

Efforts in both human and animal health are leading to more judicious use of antibiotics. The animal health industry is working on implementing FDA's Judicious Use policy, which will eliminate production uses of medically important antibiotics and put all remaining therapeutic uses of antibiotics administered in feed or water under the supervision of a veterinarian. However, a stronger Federal system of data collection, monitoring, and enhanced surveillance is critical in understanding the impacts of these changes.

AAC fully supports the Administration's request of \$10 million for the USDA/Animal and Plant Health Inspection Services (APHIS) for the USDA Antimicrobial Resistance Action Plan. The Action Plan builds upon existing activities and can be integrated across the agency, and allows the agency to obtain and disseminate science-based information about antibiotic use and resistance and relate this information to livestock management practices. This information will not only assist policymakers, but will assist veterinarians and producers as they make management decisions about the use of antibiotics on their farms.

### **Agricultural Research Service (ARS)**

AAC supports the President's request for \$1.286 billion for the Agricultural Research Service. AAC is encouraged by the proposed increases to the agency's livestock production and protection research programs in critical areas such as avian influenza, foreign animal diseases and antimicrobial resistance. ARS has the potential to make significant progress towards solving problems facing America's livestock and poultry producers but is consistently receiving funding disproportionate to its contributions to the farm economy. ARS intramural research is uniquely suited for projects that require a long term investment leading to high-impact payoffs, while maintaining the capacity and readiness to respond to emerging and pressing problems. ARS also plays a critical role in partnering with the university community and industry to advance science and address emerging issues.

The AAC thanks the committee for investing in ARS infrastructure, specifically the funding in fiscal 2016 for the **Southeast Poultry Disease Research Laboratory (SEPRRL)** in Athens, Georgia. We support the President's request of \$94.5 million to address the next highest priority facilities identified in the Capital Investment Strategy to support ARS facilities.

We urge the Committee to invest in sound science which will lead to healthy animals and healthier and safe food. AAC want to see ARS as well as the Agriculture and Food Research Institute (AFRI) devote resources to the development of vaccines, probiotics and prebiotics, alternatives to antimicrobials as well as new classes of antibiotics for livestock.

### **Animal and Plant Health Inspection Service**

AAC supports the President's request of \$901.196 million in FY17 for APHIS. APHIS' core functions are critical to animal agriculture. The agency guards our borders from foreign animal diseases and protects the health and value of U.S. agriculture and our country's natural resources. APHIS is working to prevent 160 animal diseases from entering our country and to eradicate harmful and economically devastating diseases. For example, if foot-and-mouth disease or highly pathogenic avian influenza were to become established in the U.S., foreign trading partners could invoke trade restrictions and producers would suffer devastating losses. When a disease is detected, APHIS implements emergency protocols and partners with affected States to quickly manage or eradicate the outbreak. This aggressive approach has enabled APHIS to successfully prevent and respond to potential disease threats.

AAC thanks Congress for providing a \$5 million increase in the current fiscal year for **National Animal Health Laboratory Network (NAHLN)** bringing total support to \$15 million; however, further investment is warranted to expand surveillance and surge capacity. Increases are needed to bolster the number and level of participating state labs; to spur development of infrastructure for electronic transmission of data between sample collectors, labs and state and federal databases; and increase efficiency and effectiveness of lab personnel training and employment both regionally and nationwide.

USDA issued a Federal Order on June 5, 2014 making **Swine Enteric Coronavirus** (Porcine Epidemic Diarrhea virus [PEDv] and Swine Delta Coronavirus) a reportable disease. Funds from the Commodity Credit Corporation were provided for diagnostic testing, biosecurity and research. Those funds will be expended in the current fiscal year, but the requirement for diagnostic testing needs to continue into FY17. The AAC requests an additional \$10 million be appropriated to continue diagnostic testing as required by the Federal Order.

The House Agriculture Committee's Subcommittee on Livestock and Foreign Agriculture held a hearing on February 11, 2016, on the shortage of **Foot and Mouth Disease (FMD) Vaccine**. Witnesses highlighted the Change in APHIS' policy from killing all infected and exposed animals to one of vaccination as a means of managing the disease, a change supported by the livestock industry. Witnesses also highlighted the serious shortcomings of the current vaccine bank and resulting shortage of vaccine available in the event of an FMD outbreak. Studies estimate the losses to just the beef and pork industry

due to an FMD outbreak at \$12.9 billion per year over a 10-year period and losses to the corn and soybean industries at \$69 billion over a 10-year period. The President's budget requests an increase of only \$1.7 million for the bank. The requested increase is a step in the right direction but a pittance in comparison to the losses to the livestock industry and the cost of improving the bank, which is likely in excess of \$75 million. Improving the availability of FMD vaccine will require a significant increase in funds that is not likely to occur in any one year. The appropriation for the FMD vaccine bank should be at a minimum **\$5 million** to begin moving the bank to an offshore contractor maintained bank that includes more of the 23 types of FMD currently circulating in the world.

APHIS has made business process improvements for veterinary biologics and biotechnology systems so that important new technologies can reach the market faster. AAC supports the President's request of \$16 million for the APHIS' **Center for Veterinary Biologics (CVB)**. CVB is focused on streamlining and improving its capacity to receive submissions from manufacturers and approve them for marketing electronically. In fiscal 2015, CVB received about 1,500 electronic submissions. Each year, U.S. animal health companies produce 85.5 billion doses of animal vaccines. These vaccines are critical to protecting the health of America's flocks, herds, and pets from domestic and foreign animal diseases. In addition to improving animal health, these technologies could lead to similar breakthroughs in products for humans. Animal health companies are also developing new and innovative biologics to greatly reduce the presence of food-borne pathogens in production animals, resulting in less pressure on pathogen reduction programs during processing. These new products represent a step forward in on-farm contributions to food safety. Also, the President's budget requests an additional \$7 million in industry paid user fees that we oppose since CVB has not negotiated user fees with industry, nor has it indicated how fees would be allocated.

AAC recommends \$30 million for the **National Rabies Management Program (NRMP)**. USDA/APHIS Wildlife Services coordination of the oral rabies vaccination program has been demonstrated to be cost-effective, while continuing to reduce exposure and transmission of this fatal disease among wildlife, livestock, pets and people. The requested funding will allow NRMP and state vaccination programs to contain the raccoon strain of rabies virus, Phase 1, and initiate Phase 2, elimination of terrestrial rabies in the Northeastern United States with eventual progression southward along the Atlantic coastal states.

#### **National Institute for Food and Agriculture (NIFA)**

Federal funding for animal science research has been lagging over the last two decades. This disturbing trend was highlighted by the National Academy of Sciences in its report "Critical Role of Animal Science Research in Food Security and Sustainability" that was released in 2015. The report recognizes the historic underfunding of animal sciences and calls for increased investments. Unfortunately, this funding shortfall is true even of programs such as the Agriculture and Food Research Initiative (AFRI), which has received overall funding increases in recent years.

The 2014 Farm Bill includes enhancements to **Section 1433, Continuing Animal Health and Disease, Food Security, and Stewardship Research, Education and Extension Programs** that can be helpful in reversing this trend. The expanded Section 1433 maintains the capacity program for animal health and disease and adds a competitive grant program focusing on critical priorities in the areas of food security, one health and stewardship. AAC recommends funding of \$10 million for fiscal year 2017. The first \$5 million appropriated will go toward capacity distribution, while funds above \$5 million will be distributed with 15 percent to capacity and 85 percent to competitive grants. Funding at this level will permit the competitive side of the program to commence and allow both land-grants and non-land-grant colleges of agriculture to compete for grants in high priority areas. Recent outbreaks of avian influenza, PEDv and Porcine Deltacoronavirus underscore the need for more science-based solutions to mitigate and prevent the devastating impacts of these and other emerging diseases.

Within other NIFA accounts, AAC requests support for the following programs with specific emphasis and impacts on animal agriculture:

- \$6.5 million, an increase of \$1.5 million, for the **Veterinary Medical Loan Repayment Program (VMLRP)**. Since 2010, 340 awards have been made while 1,000 veterinarians have applied. AAC also urges congress to exempt VMLRP awards from withholding taxes.
- \$2.5 million, which is level funding, for the **Veterinary Services Grant Program (VSGP)** in fiscal 2015 with future increases to the full authorized level of \$10 million. AAC thanks Congress for funding this new competitive grant program to address gaps in rural areas.
- \$2.5 million for the **Food Animal Residue Avoidance Database (FARAD)**. In 2016, millions of animals were impacted in 2,752 residue avoidance cases handled by FARAD. AAC supports an increase for FARAD to its full authorized funding level.
- \$10 million, an increase of \$3 million, for the **Food and Agriculture Defense Initiative (FADI)**. FADI supports the National Animal Health Laboratory Network and the National Plant Diagnostic Network to identify and respond to high-risk biological pathogens in the food and agricultural system and protect the nation from plant and animal disease threats through surveillance, early detection, mitigation, and recovery.

AAC supports the President's proposal of \$700 million for the **Agriculture and Food Research Initiative (AFRI)**, which would bring the program to its fully authorized level. While the animal sciences continue to face a funding imbalance within the AFRI program, AAC is encouraged that recent increases in AFRI funding have resulted in additional investments in animal research. Bringing AFRI to its fully authorized level would further enable the agency to increase investments in critical animal science areas. In addition, AAC is supportive of the Farm Bill language including a funding priority within AFRI for research to expand and advance drug approvals to treat minor species. AFRI should be encouraged to establish a competitive grant program to carry out research on drugs for minor species and for minor uses in major species.

#### **Food and Drug Administration: Center for Veterinary Medicine**

AAC supports \$187.825 million for the **FDA's CVM**. CVM oversees the safety of animal drugs, feeds and biotechnology-derived products. We request that the new user fees established by the Animal Drug User Fee Act (ADUFA) of \$22.977 million be included in the fiscal 2017 appropriations bill. ADUFA established a system of performance standards and user fees to improve the new animal drug review process at CVM. Predictability of the review process has improved as CVM has met the agreed-upon performance standards. To maintain this success, we request that the fees be integrated into this year's appropriation bill. The appropriation is entirely **budget neutral** as the money will be provided by the animal health companies.

AAC thanks Congress for increasing the **National Antimicrobial Resistance Monitoring System (NARMS)** funding for meat testing by \$3 million last year and we support the continuation of the funding for FY17. NARMS is a unique program that is a collaborative effort between CVM, CDC, and ARS. The program detects trends in antibiotic resistance and protects human and animal health through integrated monitoring of antimicrobial resistance among foodborne bacteria. AAC also supports efforts to advance the protection of human and animal health through integrated monitoring of antimicrobial resistance within the FDA food safety program. We lend our support to developing scientifically valid methods to better understand antimicrobial drug use practices in animals and the public health impacts of resistant bacteria.

However, AAC strongly opposes the Administration's proposal to assess \$60 million in facility registration fees on feed and feed ingredient manufacturers and as a means of financing implementation of the **Food Safety Modernization Act (FSMA)**. Instead, we support Congress continuing to provide sufficient levels of appropriations to finance inspection and other related activities associated with FSMA, as the benefits of food and feed safety accrue to the public at large.

**Conclusion**

AAC asks that you give our requests careful consideration as you set out to fund the nation's agricultural policy priorities in fiscal year 2017. We realize the difficulty of your task but know that increased investment in the outlined programs will prove to be a wise decision now and for the future. AAC stands ready to work with you and your staff to expeditiously pass the agriculture appropriations bill. Thank you for your consideration; if you would like to discuss the AAC's recommendations further, please contact Damon Wells, AAC Chairman, at [dwells@turkeyfed.org](mailto:dwells@turkeyfed.org) or Brigid Zeller, AAC Vice Chair, at [bzeller@ahi.org](mailto:bzeller@ahi.org).

On behalf of:

**AAC Commodity Members**

American Dairy Goat Association  
 American Goat Federation  
 American Horse Council  
 American Rabbit Breeders Association  
 American Sheep Industry Association  
 American Veal Association  
 National Chicken Council  
 National Livestock Producers Association  
 National Milk Producers Federation  
 National Pork Board  
 National Pork Producers Council  
 National Turkey Federation  
 North American Meat Institute  
 R-CALF United Stockgrowers of America  
 United Egg Producers Association  
 U.S. Poultry & Egg Association  
 Western United Dairymen

**AAC Allied Animal Agriculture Members**

American Association of Avian Pathologists  
 American Association of Bovine Practitioners  
 American Association of Mycobacterial Diseases  
 American Association of Small Ruminant Practitioners  
 American Association of Swine Veterinarians  
 American Association of Veterinary Laboratory Diagnosticians  
 American Dairy Science Association  
 American Farm Bureau  
 American Feed Industry Association  
 American Society of Animal Science  
 American Veterinary Medical Association  
 Animal Agriculture Alliance  
 Animal Health Institute  
 Association of American Veterinary Medical Colleges  
 Association of Veterinary Biologics Companies  
 Biotechnology Industry Organization  
 Council for Agricultural Science and Technology  
 Fats and Proteins Research Foundation  
 Federation of Animal Science Societies  
 Livestock Exporters Association of the USA  
 Livestock Marketing Association

Mycobacterial Diseases of Animals Multistate Initiative  
National Aquaculture Association  
National Association for the Advancement of Animal Science  
National Association of Animal Breeders  
National Association of Federal Veterinarians  
National Association of Public Health Veterinarians  
National Association of State Departments of Agriculture  
National Dairy Herd Improvement Association  
National Farmers Union  
National Grain and Feed Association  
National Institute for Animal Agriculture  
National Renderers Association  
Poultry Science Association  
U.S. Animal Health Association



# Animal Welfare Institute

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## TESTIMONY TO THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES FOR FISCAL YEAR 2017

By Christopher J. Heyde,  
Deputy Director, Government and Legal Affairs  
March 15, 2016

Thank you for the opportunity to submit testimony on Fiscal Year 2017 funding priorities for the U.S. Department of Agriculture's (USDA) Agricultural Research Service (ARS), Animal and Plant Health Inspection Service (APHIS), and Food Safety Inspection Service (FSIS).

### **USDA-ARS-National Agricultural Library – Animal Welfare Information Center**

The Animal Welfare Information Center (AWIC) serves as a training and education resource for those who use animals for research, testing, and teaching, and the need for its services continues to outstrip its resources. AWIC's activities are vitally important, as they facilitate science-based decision-making and compliance with federal animal welfare regulations. We request that AWIC funding remain consistent with the FY17 budget proposal.

### **USDA-APHIS-Animal Welfare**

APHIS's Animal Welfare activities are critical to the proper regulation and care of animals protected under the Animal Welfare Act (AWA), 7 U.S.C. §§ 2131–2159, and the Horse Protection Act (HPA), 15 U.S.C. §§ 1821–1831. We request that, consistent with the Department's request, \$29 million be allocated to Animal Welfare activities.

### **USDA-APHIS-Animal Welfare – Animal Welfare Act Enforcement – Class B Dealers**

Thank you for including in the FY16 bill Rep. Roybal-Allard's requested language prohibiting the renewal of existing licenses or the issuance of new licenses to Class B dealers who sell random source dogs and cats for use in research, experimentation, teaching, and testing.

One existing license doesn't expire until December, so it will be necessary to maintain this prohibition into FY17. Moreover, it will also be needed to ensure that there is no lapse during which these dealers try to get back into business or others are tempted to apply for new licenses. It is true that very few of these dealers remain—all the more reason to head off challenges to the progress that has been made in shutting down this abuse-ridden industry. Therefore, we ask you to support the language that Rep. Roybal-Allard is requesting for FY17: *None of the funds made available by this Act may be used to carry out any activities or incur any expense related to the issuance of licenses under section 3 of the Animal Welfare Act (7 U.S.C. 2133), or the renewal of such licenses, to class B dealers who sell random source dogs and cats for use in research, experiments, teaching, or testing. Nothing in this provision, however, should be construed as preventing the Department from carrying out all necessary oversight, inspection, compliance, and enforcement activities with respect to any entity holding a valid class B license who sells random source dogs and cats for use in research, experiments, teaching, or testing, or with respect to any entity doing so without a license as required under 7 U.S.C. 2133.*

#### **USDA-APHIS-Animal Welfare – Horse Protection Act Enforcement**

We support and incorporate by reference the testimony submitted by The Humane Society of the U.S. on behalf of AWI and our partner organizations concerning FY17 funding for HPA enforcement. The HPA was enacted to end soring, the cruel practice of applying chemical and mechanical irritants to the legs and hooves of horses to produce an exaggerated gait. Yet soring, condemned as “one of the most significant welfare issues affecting any equine breed or discipline,”<sup>1</sup> has continued as limited funding has hampered enforcement. Because USDA inspectors are able to attend a mere fraction of Tennessee Walking Horse shows, monitoring

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<sup>1</sup> American Association of Equine Practitioners, PUTTING THE HORSE FIRST: VETERINARY RECOMMENDATIONS FOR ENDING THE SORING OF TENNESSEE WALKING HORSES (2008).



responsibility often falls to “Designated Qualified Persons” (DQPs), usually industry insiders willing to ignore violations. Reliance on DQPs has been an abysmal failure. Statistics show that USDA inspectors’ presence at shows results in a far higher rate of violations than occurs when DQPs are present. For example, at the 2013 Tennessee Walking Horse National Celebration, 86 of 128 horses tested positive for soring agents.<sup>2</sup> We ask that Congress appropriate \$705,000 for HPA enforcement.

### **USDA-APHIS-Wildlife Services – Wildlife Damage Management**

APHIS’s Wildlife Services (WS) program allocates millions of dollars each year to lethal wildlife management, relying on methods that are cruel, ineffective, costly, and outdated. WS uses poisons, traps, snares, and firearms to indiscriminately kill animals—including endangered species, family pets, and countless non-target animals—while ignoring humane and cost-efficient alternatives. WS’ irresponsible practices even threaten public safety and national security (e.g., the use of Compound 1080). Last year, two individuals died during an aerial gunning operation that WS was conducting to exterminate coyotes in New Mexico; unfortunately, this most recent fatal accident is not the first such case. In view of the most recent fatal plane crash, as well as the overall lack of transparency surrounding WS’s activities, we urge the Subcommittee to include report language requiring the agency to provide detailed information about its aerial gunning operations. Specifically, WS should identify any additional safety measures the agency has instituted since the most recent fatal accident; the dollar amount spent per operation (e.g., for aircraft rental or lease, fuel costs, personnel costs including fees paid for pilots if not agency personnel, and other payments made to private aerial companies or individuals contracted by WS); funding received from outside sources to carry out aerial gunning activities (whether through cooperator agreements or from state agencies, local governments, or private

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<sup>2</sup> *Id.*

landowners); specific locations where operations were conducted; the number and species of animals killed per operation; and information regarding whether targeted animals were identified in a specific conflict or were part of a preemptive shooting mission.

#### **USDA-APHIS-Investigative and Enforcement Services**

APHIS' Investigative and Enforcement Services (IES) handles investigations related to APHIS programs, which involves: evidence collection; civil and criminal investigations; and investigations in collaboration with federal, state and local enforcement agencies. IES also works with USDA's Office of General Counsel to handle stipulations and administrative proceedings. Consistent with the FY17 budget proposal, we request \$16,410,000 so that the Service may fulfill its responsibilities, particularly its increasing HPA and AWA investigatory demands.

#### **USDA-ARS – Animal Welfare for Farm Animals Used in Agricultural Research**

Last year the *New York Times* released an investigation that revealed shocking instances of animal abuse at the U.S. Meat Animal Research Center (MARC). Experiments at this federal facility over the last several decades were the subject of a year-long investigation by the *Times*, involving the review of thousands of pages of internal records obtained through the Freedom of Information Act. MARC has received almost \$200 million in federal funding since 2006, and it is one of approximately 40 Agricultural Research Service facilities that conduct agricultural research involving animals. The Committee took seriously the allegations raised by the *Times* piece and responded by making five percent of the ARS budget for FY16 contingent on ARS updating its animal care policies and requiring that all ARS facilities at which animal research is conducted have a fully functioning Institutional Animal Care and Use Committee (IACUC) to ensure compliance with animal welfare standards. The Committee also provided \$400,000 to APHIS to conduct inspections consistent with the AWA at each ARS facility that uses animals in

research. We request a continuation in FY17 of that \$400,000 to APHIS, as well as a renewed requirement for a fully functioning IACUC at each ARS facility where animal research is conducted, along with the following bill language: *“Provided further, That the Animal and Plant Health Inspection Service and Agricultural Research Service shall work together to ensure an effective animal welfare inspection program for ARS facilities and ensure that these facilities are in full compliance with the Animal Welfare Act.”*

#### **USDA-FSIS – Humane Methods of Slaughter Act Enforcement**

USDA allots an extremely small portion of its resources to Humane Methods of Slaughter Act (HMSA) enforcement. In FY15, for instance, only 2.6 percent of all FSIS verification procedures were performed for activities related to humane handling and slaughter. Uneven enforcement among districts, repeat violators, and inadequate training and humane slaughter expertise among inspectors remain serious problems. The problems of inadequate and inconsistent enforcement can be resolved by increasing the number and qualifications of personnel assigned to humane handling and slaughter duties. We request that no fewer than 160 full-time equivalent positions be dedicated to inspections and HMSA enforcement. In addition, a minimum of two District Veterinary Medical Specialists should be assigned per district to provide for increased auditing and training to help uncover problems before they result in egregious humane handling incidents.

#### **USDA-FSIS – Horse Slaughter Facility Inspections**

For years, Congress has approved language to prevent the use of tax dollars to fund horse slaughter facility inspections. This language is critical to protect horses, taxpayers, communities and public health. We strongly support the continued inclusion of this prohibition in the FY17 budget.



## OUTSIDE WITNESS TESTIMONY

**House Appropriations Subcommittee on Agriculture,  
Rural Development, Food and Drug Administration, and Related Agencies  
FY2017 Appropriations  
Submitted by: Nancy Perry, Senior Vice President, Government Relations  
March 15, 2016**

On behalf of the American Society for the Prevention of Cruelty to Animals (ASPCA) and our 2.5 million supporters nationwide, thank you for the opportunity to submit this written testimony. Founded in 1866, the ASPCA was the first humane organization in North America. Our mission, as stated by founder Henry Bergh, is “to provide effective means for the prevention of cruelty to animals throughout the United States.” As you craft the FY2017 Agriculture Appropriations bill, the ASPCA asks that you please consider the following provisions.

### **Continue the Current Ban on Federal Funding for Horse Slaughterhouse Inspections**

Congress included in the FY2016 Consolidated Appropriations Act a provision continuing the long-standing ban on federal funding for USDA inspections at domestic horse slaughterhouses.

Americans do not eat horse meat, and national polling indicates that 80 percent of American voters oppose the slaughter of horses for human consumption. Cruelties associated with horse slaughter are well-documented. Whether in the U.S. or over the border, horses are forced into cramped trailers and trucked long distances to slaughter with insufficient food, water, or rest. Many horses are injured, trampled, and even killed during the journey. Horses that survive endure an inherently cruel slaughter process. As extreme flight animals, horses are ill-suited for stunning. In USDA-regulated plants, many endured repeated blows, sometimes remaining conscious during dismemberment. USDA documented rampant violations and cruelty in domestic horse slaughter facilities, including photos of protruding broken bones, eyeballs hanging by a thread of skin, and open wounds.

As American horses are not raised for food, throughout their lives they are routinely given numerous drugs prohibited by the FDA for use in animals intended for human consumption. A 2010 *Food and Chemical Toxicology Journal* article detailed the ubiquitous use of phenylbutazone in race horses subsequently sent to auction and then to slaughter only days after medication.<sup>1</sup> A *New York Times* investigation revealed a virtual arms race of illegal drug use in horses to mask pain and evade drug tests including “*cobra venom, Viagra, blood doping agents, stimulants, and cancer drugs,*” and the resulting food safety threats.<sup>2</sup> The Food Safety and Inspection Service (FSIS) cannot test for these harmful substances without a system to track horses’ health histories, and trainers are constantly experimenting with new stimulants to gain a competitive edge.

The European Union (EU) announced a ban on imports of horse meat from Mexico to the EU as of January 1, 2015, following a scathing audit of EU-certified Mexican horse slaughter plants, which kill tens of thousands of American horses each year. The report stressed that because horses are not raised as food-producing animals in Mexico or the United States, they are routinely given many medications that are illegal for use in food animals. U.S. tax dollars should not be used to prop up an industry that has no regard for animal welfare or human health.

***The ASPCA requests that the Subcommittee continue the prohibition on federal funding for horse slaughterhouse inspections by the USDA by including the following language:***

***None of the funds made available in this Act may be used to pay the salaries or expenses of personnel--***

***(1) to inspect horses under section 3 of the Federal Meat Inspection Act (21 U.S.C. 603);***

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<sup>1</sup> Dodman, N., Blondeau, N., Marini, A.M., “Association of Phenylbutazone Usage with Horses Bought for Slaughter: A Public Health Risk.” *Food and Chemical Toxicology*: May 2010.

<sup>2</sup> “Death and Disarray at America’s Racetracks.” *The New York Times*: March 24, 2012.

*(2) to inspect horses under section 903 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 1901 note; Public Law 104-127); or*

*(3) to implement or enforce section 352.19 of title 9, Code of Federal Regulations (or a successor regulation).*

### **Ensure That ARS Research Complies with the Animal Welfare Act**

A 2015 *New York Times* exposé revealed appalling abuse of animals at USDA's U.S. Meat Animal Research Center (USMARC).<sup>3</sup> The article revealed a shocking array of animal experiments occurring at the USMARC with little regard for welfare, e.g., a live, unanaesthetized pig dissected and then improperly euthanized, and lambs left to die of exposure to extreme weather and predation in order to develop "easy-care" sheep. The research at the USMARC inflicts terrible suffering on animals at taxpayer expense. Since 2006, USDA's Agricultural Research Service (ARS) has spent nearly \$200 million at USMARC.

The cows, sheep, and pigs used in these experiments are exempt, by statute, from the basic standards of the Animal Welfare Act (AWA), which exempts animals used in agriculture production research. Though exempted by statute, USDA's internal policies mirror some of these basic protections. However, investigative reports from USDA last year noted that USMARC failed to follow its own animal welfare standards.<sup>4 5 6</sup> In particular, these reports showed a need for further review of internal animal welfare policies and that USMARC's Institutional Animal Care and Use Committee (IACUC) was not properly constituted.

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<sup>3</sup> "U.S. Research Lab Lets Livestock Suffer in Quest for Profit." *The New York Times*: January 19, 2015.

<sup>4</sup> "Findings and Recommendations on the Animal Care and Well-Being at the U.S. Meat Animal Research Center to the Secretary of Agriculture and the REE Under Secretary." Agricultural Research Service – Animal Handling and Welfare Review Panel. Pre-Public Hearing Report. March 9, 2015.

<sup>5</sup> "Findings and Recommendations on the Phase II Review of the Animal Care and Well-Being at the Agricultural Research Service to the REE Under Secretary." Agricultural Research Service – Animal Handling and Welfare Review Panel. Pre-Public Hearing Report. July 6, 2015.

<sup>6</sup> "ARS: U.S. Meat Animal Research Center Review – Interim Report" USDA Office of Inspector General. Audit Number: 02007-0001-31 (1). September 28, 2015.

The ASPCA appreciates the Subcommittee's continued attention to this important issue. We supported the inclusion of language in the FY2016 Consolidated Appropriations Act which compels USDA to provide written certification to Congress that its animal welfare policies have been updated to comply with the AWA – including properly constituting IACUCs – and provides funding to facilitate inspection of ARS facilities by the Animal and Plant Health Inspection Service (APHIS). *The ASPCA requests that the Subcommittee continue to include language to ensure that all ARS facilities comply with the Animal Welfare Act, including regular APHIS inspections, and we encourage the continuation of funding to support these inspections.*

#### **Increase AWA Enforcement Funding for the Inspection of Licensed Breeders**

One of the functions of USDA's Animal and Plant Health Inspection Service (APHIS) is to ensure the humane care and treatment of animals by enforcing the requirements of the Animal Welfare Act (AWA). Included in this mandate is the inspection of large-scale commercial dog breeding operations. Dogs raised in these facilities typically spend their entire lives in small, crowded cages, continually producing litters of puppies for the pet trade. Although the AWA provides very minimal standards which should be improved, those operations not in compliance with even the very limited federal requirements must be held accountable. When facilities fall out of compliance, dogs can suffer for extended periods in deplorable conditions, without veterinary care, exercise, food, water, and socialization.

In September 2013, USDA issued a final rule that, for the first time, required commercial breeders who sell puppies directly to the public—sight unseen over the internet or mail—to be licensed and inspected. At the time, the Department estimated that 2,600-4,640 additional dog breeders, as well as 325 cat breeders, would require licensure. With already limited resources, the addition of thousands of new licensees will make it nearly impossible for USDA to provide

the necessary enforcement without an increase in funding. *The ASPCA requests that the Subcommittee increase the current funding for APHIS's AWA enforcement.*

**Prohibit Increased Line Speeds for Poultry Slaughter Plants**

USDA's Food Safety and Inspection Service (FSIS) Modernization of Poultry Slaughter Inspection Rule, finalized in 2014, stopped short of increasing already-too-fast line speeds for certain poultry slaughter plants from 140 to 175 birds per minute. Faster slaughter speeds will lead to more live birds entering the scalding tank. As noted in a recent *Washington Post* article, nearly 1 million chickens are unintentionally boiled alive each year because already-fast-moving slaughter lines fail to kill the birds before they are dropped into scalding water to facilitate defeathering.<sup>7</sup> *The ASPCA requests that the Subcommittee prohibit FSIS from increasing line speeds at poultry slaughter plants.*

**Exceed the Statutory Funding Cap for Horse Soring Enforcement**

APHIS is also charged with protecting horses through its enforcement of the Horse Protection Act (HPA) of 1970. Since passage of the HPA in 1970, a \$500,000 statutory funding cap on activities under the Act has hampered USDA's effective enforcement of horse soring activities. Congress can choose to ignore the cap and fund the program at higher levels, which it did in the FY2016 Consolidated Appropriations Act by funding HPA enforcement at \$697,000. *The ASPCA requests that the Subcommittee continue to exceed the statutory funding cap to allow the USDA to better enforce the Horse Protection Act and prevent the cruel practice of horse soring.*

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<sup>7</sup> "USDA Plan to Speed Up Poultry-Processing Lines Could Increase Risk of Bird Abuse." *The Washington Post*: October 29, 2013.





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March 15, 2016

The Honorable Robert Aderholt, Chairman  
 Subcommittee on Agriculture, Rural Development,  
 Food and Drug Administration, and Related Agencies  
 Committee on Appropriations  
 U.S. House of Representatives  
 Washington, DC 20515

The Honorable Sam Farr, Ranking Member  
 Subcommittee on Agriculture, Rural  
 Development, Food and Drug Administration,  
 and Related Agencies  
 Committee on Appropriations  
 U.S. House of Representatives  
 Washington, DC 20515

Re: FY 2017 Agriculture Appropriations

Dear Chairman Aderholt and Ranking Member Farr:

This is to transmit the cotton industry's request for FY 2017 funding for selected programs under the jurisdiction of the Subcommittee. The National Cotton Council (NCC) appreciates your consideration of our request.

The NCC is the central organization of the United States cotton industry. Its members include growers, ginnors, cottonseed processors and merchandizers, merchants, cooperatives, warehousemen and textile manufacturers. A majority of the industry is concentrated in 17 cotton-producing states. The downstream manufacturers of cotton apparel and home furnishings are located in virtually every state. Farms and businesses directly involved in the production, distribution and processing of cotton employ almost 200,000 workers and produce direct business revenue of more than \$27 billion. Annual cotton production is valued at more than \$6 billion at the farm gate, the point at which the producer markets the crop. Accounting for the ripple effect of cotton through the broader economy, direct and indirect employment surpasses 420,000 workers with economic activity well in excess of \$100 billion. In addition to the cotton fiber, cottonseed products are used for livestock feed, and cottonseed oil is used as an ingredient in food products as well as being a premium cooking oil.

The NCC welcomes the opportunity to provide the following recommendations and requests for FY 2017 appropriations for programs which make important contributions to our industry's ability to compete and prosper in a world market.

### **FUNDING PRIORITIES**

**COTTON PESTS (APHIS):** The National Cotton Council requests **\$11.52 million (level with the FY 2016 and FY 2015 appropriations)** for the APHIS Cotton Pests Account. This will allow APHIS to continue to provide coordination, technical assistance and funds for Boll Weevil Eradication and Pink Bollworm Eradication programs. Grower assessments provide the balance of program funds. As these programs near completion, the Federal funding becomes even more critical to ensure the complete eradication of these cotton pests for the benefit of those

in post eradication maintenance. Additional details for the Boll Weevil Eradication Program and the Pink Bollworm Eradication Program are provided below:

**Boll Weevil Eradication (APHIS – Cotton Pests):** The NCC requests **\$8.1 million (level with the FY 2016 and FY 2015 appropriations)** for APHIS to provide Federal support to the National Buffer Zone in the Lower Rio Grande Valley (LRGV) in Texas, the last “frontier” for Boll Weevil Eradication efforts since 97% of the U.S. cotton acreage is now free of boll weevils. This Zone is also the only remaining active eradication zone in the U.S. APHIS funds are only provided to this active eradication zone in keeping with a commitment that grower assessments provide 100% of the cost of maintenance programs once an area or region is declared “weevil free.” The program continues to produce documented economic and environmental benefits. Cotton in the United States is now produced with an average of less than three annual applications of pesticides per acre for all insects. This compares to the 15 to 20 applications per acre prior to boll weevil eradication and adoption of cotton varieties containing Bt technology for worm control.

Continuation of Federal funding is critical as the program strives to complete eradication in the LRGV of Texas. The NCC recognizes that the movement of boll weevils from Tamaulipas, Mexico, into the LRGV has prolonged the eradication efforts of the U.S. However, the eradication efforts in the LRGV continue to make progress and the area also serves as the National Buffer, protecting the remainder of the U.S. cotton acreage from re-infestation of the boll weevil. The NCC’s Boll Weevil Action Committee has created the International Technical Advisory Committee to share and coordinate technical procedures with the Tamaulipas, Mexico program in an effort to enhance their eradication progress thereby ending this weevil migration. In addition, the NCC is cooperating with APHIS in developing another liaison committee to include Mexico program officials to identify additional resources and technical assistance required by the Tamaulipas program.

We also respectfully request that APHIS be directed to make every effort to minimize overhead and administrative expenses for boll weevil eradication to ensure field operations are funded to the fullest extent possible.

**Boll Weevil Eradication (FSA) –** The NCC requests sufficient funding to allow FSA to make up to **\$60 million** in loans to eligible producer-controlled organizations carrying out Boll Weevil and Pink Bollworm eradication programs. This authority has existed since FY2005 and has been critically important to the success of the programs. There has not been a forfeiture on any loan made by FSA for the purpose of carrying out Boll Weevil and Pink Bollworm eradication efforts.

**Pink Bollworm Eradication (APHIS – Cotton Pests):** The NCC requests **\$3.42 million (level with the FY 2016 and 2015 appropriations)** be provided to APHIS to continue support for the pink bollworm program. The Pink Bollworm Eradication Program is based predominantly on the mass release of sterile insects generated by a Phoenix, AZ rearing facility.

The funds requested for FY 2017 will enable the Pink Bollworm Rearing Facility (PBRF) in Phoenix, AZ, to maintain a colony of pink bollworm moths with the capability

to provide sterile moths for release if a wild moth is captured. The PBRF is a partnership between the California growers and APHIS. The cost share for pink bollworm is essential to provide APHIS' expertise and operational coordination in mass rearing and area-wide aerial releases of millions of sterile moths.

The Pink Bollworm Eradication Program did not document the capture of any native pink bollworm moths in 2013 for the U. S., which allowed the program to begin a confirmation phase in 2014. There was no documented capture of any native pink bollworm moths in 2014 or in 2015. The density of monitoring traps remained high for the 2014 year in order to verify that no native populations are present. The trapping density will gradually decline over the next several years before eradication is confirmed. A response plan has been developed by technical experts to respond to localized areas as needed if a native capture is documented during this confirmation phase.

Growers contribute funds through assessments and incur significant expense associated with purchasing and planting biotech seeds during the active eradication period.

**MARKET ACCESS PROGRAM (MAP)** - The NCC strongly supports the funding level in the Agricultural Act of 2014 of \$200 million for MAP. Cotton Council International (CCI), the foreign market development arm of the NCC, has the critical mission of maintaining and expanding exports of US cotton and cotton products in Asia, Europe, Africa, and Central and South America. The value of U.S. cotton fiber exports exceeds \$5 billion, and exports of value-added cotton products contribute an additional \$3 billion to the overall value of cotton exports. Activities carried out using MAP and Foreign Market Development (FMD) funds have been documented as contributing to increased export sales of cotton fiber and value-added manufactured cotton products. Independent studies reveal that for every dollar spent by USDA cooperators, including CCI, U.S. exports increase \$35, a 35-to-1 return on investment. For the cotton industry, this represents over one billion dollars in export value or an additional 7,000 jobs to the U.S. economy. The cotton industry believes CCI's programs are an effective catalyst for private sector investments, with the industry investing \$2.02 for every dollar of MAP funds received.

**FOREIGN MARKET DEVELOPMENT (FMD)** - The FMD program is used to encourage and support U.S. commodity groups to undertake long-term market development and trade servicing. These funds are used for programs with detailed market assessments, strategic program development and ongoing evaluations. These funds create unique market development and trade servicing value and, like the MAP funds, are closely monitored by USDA for compliance with U.S. laws. FMD is currently funded at \$34.5 million and requires at least a dollar-for-dollar industry match. The industry requests that funding for FMD be continued at the level authorized in the Agricultural Act of 2014. The cotton industry believes CCI's programs are an effective catalyst for private sector investments with industry investments totaling \$1.31 for every dollar of FMD funds received.

**FOREIGN AGRICULTURAL SERVICE (FAS)** -The industry supports sufficient funding to ensure FAS is adequately staffed to carry out important market development and trade enhancing functions in headquarters and abroad. The industry supports the Presidential initiative to streamline and make U.S. export programs more effective. We believe FAS's market research

and market development assistance combined with the MAP and FMD programs serve as a model for successful public-private partnerships. We believe it is important that U.S. agriculture continue to have an agency like FAS with close links to domestic USDA programs to promote U.S. exports, collect market data, assist exporters, remedy trade disputes and assist in the development of trade policy.

**FARM SERVICE AGENCY (FSA)** – The NCC supports adequate funding so that FSA can continue to deliver essential farm and conservation programs and services.

**RISK MANAGEMENT AGENCY (RMA)** – The NCC supports adequate funding so that RMA can continue to administer essential insurance products.

**AGRICULTURAL RESEARCH SERVICE (ARS)** – The cotton industry continues to be concerned with the financial support of this important intramural research agency. ARS programs and facilities conduct vital research programs in fiber quality, production agronomic systems and textiles that ultimately support U.S. cotton production and post-harvest processing as well as the U.S. textile industry's efforts to remain competitive in global markets. We urge the Committee to instruct USDA not to close any facilities or discontinue any projects without first consulting with industry stakeholders.

The NCC specifically requests an increase of \$1.68 million in funding for the three cotton ginning research units to be distributed as follows: Southwestern Cotton Ginning Research Laboratory, Mesilla Park, NM, \$468,000; Cotton Production and Processing Research Unit, Lubbock, TX, \$752,000; and the Cotton Ginning Research Unit, Stoneville, MS, \$460,000. All three ginning research units need additional funding immediately to address scientific personnel needs, conduct research, and offset the impact of inflation after years of flat or decreasing budgets.

We request that the Committee maintain funding for the research units managing cotton programs conducted at the Southern Regional Research Center in New Orleans, LA, and the various cotton breeding and cotton entomology programs including support for the Cotton Germplasm Collection managed by the Southern Plains Crop Germplasm Unit housed at the Southern Plains Agricultural Research Center in College Station, TX.

We agree with the President's Council of Advisors on Science and Technology (PCAST) December 2012 report, "Agricultural Preparedness and the Agricultural Research Enterprise," that significant additional funding for agricultural research is warranted for maintaining a viable U.S. industry. However, we differ with the report's emphasis on increasing competitive funding of research. We continue to urge a balanced approach among intramural, competitive and formula funding in order to maintain an effective research infrastructure while encouraging innovative research at the highest levels. For ARS to continue its part in this research enterprise, additional funding is needed. We urge the Committee to provide ARS with additional overall funding as soon as economic conditions allow the Committee to respond to the PCAST report's funding level recommendations.

Thank you for your consideration of our recommendations and of our funding requests for FY 2017. Please contact me with any questions or if additional information is needed.

Sincerely,

Reece Langley  
Vice President – Washington Operations

LIST OF WRITTEN TESTIMONIES FROM U.S. AQUACULTURE PRODUCERS  
IN SUPPORT OF THE REGIONAL AQUACULTURE CENTERS

For submission to

U.S HOUSE APPROPRIATIONS COMMITTEE  
SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT,  
FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

March 2016

**In Support of the Center for Tropical and Subtropical Aquaculture:**

Ku'uipo McCarty  
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**In Support of the North Central Regional Aquaculture Center:**

Jim Blankman  
Aquatic Resource Management  
3035 400<sup>th</sup> Street  
Manning, IA 51455

William E. Lynch Jr., Co-owner & Manager  
Millcreek Perch Farms LLC  
Marysville, OH

**In Support of the Northeastern Regional Aquaculture Center:**

Sebastian M. Belle, Executive Director  
Maine Aquaculture Association  
P.O. Box 148  
103 Water Street, 4<sup>th</sup> Floor  
Hallowell, ME 04347

Robert Rheault, Ph.D., Executive Director  
East Coast Shellfish Growers Association  
1623 Whiteville Road  
Toms River, NJ 08755

**In Support of the Southern Regional Aquaculture Center:**

Rodger Barlow, Executive Vice President  
 Catfish Farmers of America  
 1100 Highway 82 E. Suite 202  
 Indianola, MS 38751  
[roger@uscatfish.com](mailto:roger@uscatfish.com)

Charles M. Collins, Director  
 Catfish Farmers of Arkansas  
 Mena, Arkansas

**In Support of the Western Regional Aquaculture Center:**

Suzanne Cudd, Owner Operator  
 Whiskey Creek Shellfish Hatchery, Inc.  
 2975 Netarts Bay Road W.  
 Tillamook, OR 97141

Mark E. Daily, President  
 Idaho Aquaculture Association, Inc.  
 PO Box 767  
 Hagerman, ID 83332  
[laa@northrim.net](mailto:laa@northrim.net)

Jeff Hetrick, Director  
 Alutiiq Pride Shellfish Hatchery  
 P.O. Box 369  
 Seward, Alaska 99664

Donald Kent, President/CEO  
 Hubbs-Sea World Research Institute  
 2595 Ingraham Street  
 San Diego, CA 92109  
[dkent@hswri.org](mailto:dkent@hswri.org)

Jeremy Liley, President  
 Liley Fisheries, Inc.  
 PO Box 20483  
 Boulder, CO 80308

John MacMillan, Ph.D., Vice President  
 Clear Springs Food, Inc.  
 P.O. Box 712  
 Buhl, Idaho 83316



Testimony Submitted To

U.S. HOUSE APPROPRIATIONS COMMITTEE  
SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT,  
FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

March 2016

Concerning

SUPPORT FOR THE REGIONAL AQUACULTURE CENTERS

Written Testimony Submitted by:  
Ku'uipo McCarty  
Kualoa Ranch Aquaculture Manager  
Moli'i Fishpond and Oysters  
Kualoa Ranch Hawaii  
808-782-6214

To the Honorable Members of Congress:

This is a letter to express my support for the U.S. Department of Agriculture Regional Aquaculture Center program, and the Center for Tropical and Subtropical Aquaculture (CTSA) in particular. It has come to my attention that the RAC program is not currently included in President Obama's FY17 budget. Aquaculture in Hawaii, and beyond, will be significantly impacted if funding for this vital program is discontinued. I urge you to restore the budget for the RAC program to the maximum appropriated amount of \$5 million for FY17.

As the Aquaculture Manager of Kualoa Ranch and the 125-acre Moli'i Ancient Hawaiian Fishpond, I have participated in several CTSA-supported bivalve research projects over the last decade, including work to enhance and restore oyster production in our 800 year old fishpond. Beyond the program's funding of Dr. Maria Haws' crucial work to get the Hawaii bivalve



industry up and running again, CTSA's administrative staff and industry liaisons are very helpful and offer hands-on support that is unique among funding organizations. The liaison for the bivalve projects, retired algae specialist Vernon Sato, has provided technical assistance to my team that has proved essential to our ability to produce healthy oysters. In addition, both Mr. Sato and CTSA Executive Director Dr. Cheng-Sheng Lee have offered suggestions and support in times of critical need.

On a visit to the pond in early 2015, Dr. Lee observed a serious problem we were having due to an infestation of polydora worms. The worms were boring holes into the oysters and creating unappealing mud blisters that would burst open upon shucking; upon this discovery, we decided to stop selling our oysters until the problem was solved. With 65,000 nearly full grown oysters stocked in the pond, and as the only commercial producer of oysters on Oahu, this production disruption had potential to be detrimental to our business and the Hawaii bivalve industry as a whole. Thankfully, Dr. Lee offered our team immediate assistance through an out-of-cycle project, led by Dr. Haws. In collaboration with Dr. Haws' lab, our team at Kualoa solved the issue with a simple and cost-effective solution. I am thrilled to report that we are nearly polydora-free, and our last harvest sold out, with our next harvest planned for April 1, 2016. The emerging bivalve industry has a great opportunity to impact Hawaii's economy and food security. Furthermore, production of oysters and other bivalves helps to balance ecosystems by removing excess nutrients from the water. CTSA has been an important partner in building this industry, and if the program loses funding it will surely have a negative impact on future development. Please, join me in supporting the important work of CTSA and the Regional Aquaculture Center program.

Thank you for your consideration.

## Aquaculture Technologies of the Marshall Islands

PO Box 1766, Majuro, MH 96960

Tel (692) 625-2864



Testimony Submitted To

U.S. HOUSE APPROPRIATIONS COMMITTEE  
SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT,  
FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

March 2016

Concerning

SUPPORT FOR THE REGIONAL AQUACULTURE CENTERS

Written Testimony Submitted by:  
Maddison Namna, Boat Operator  
ATMI Finfish Technician

To the Chairman and Members of the Subcommittee:

This is my testimony in support of the Center for Tropical and Subtropical Aquaculture (CTSA) and the Regional Aquaculture Center programs of the USDA National Institute of Food and Agriculture. My life is directly impacted as a result of this helpful program, and it would be very unfortunate if the program lost funding. This letter is to encourage the restoration of the RAC budget to the maximum appropriated amount of \$5 million for FY17. Please note that due to my English language ability, my manager at ATMI helped me prepare this letter.

I am very thankful for CTSA's support for the project to start a marine finfish aquaculture industry in the Republic of the Marshall Islands (RMI). Because of this project, myself and other Marshallese are able to have good jobs doing important work to grow food for our people. I started as a trainee and now I am a Technician and boat operator and I love it. I have included

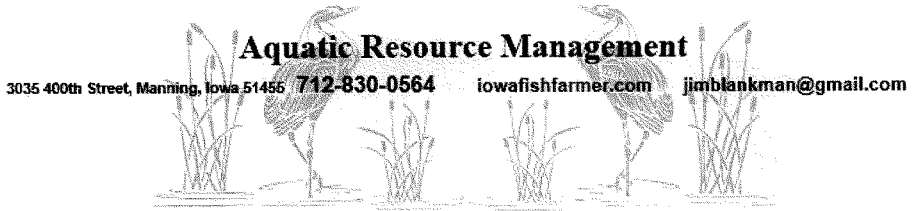
quotes from three other staff from the trainings who are now employees of Aquaculture Technologies of the Marshall Islands (ATMI) in Majuro, Marshall Islands.

- Lindo Iso, Growout Cage Technician: “It was good training and experience”
- Anthony Lagmos, Hatchery/Nursery Technician: “Trainings was challenging and now I enjoy working with the baby fish and broodstock”
- Toshi Titus, Growout Cage Technician: “I love my job, feeding fish and watching fish grow”

There are not many job opportunities in the RMI, which is why projects like the CTSA one are so important because they provide job training. The CTSA project has provided thorough hands-on training in fish husbandry, grow-out technique, and making feed using local ingredients, among other practices. These are all valuable skills for me to have, and I can now teach what I have learned to other community members and new trainees participating in the project. The support from CTSA is essential for this training, and to our ability to build a strong Marshallese aquaculture industry with our own people in order to gain economic and food independence. CTSA's continuing support of projects such as ours can lead to a brighter future for the Pacific Islands. I urge you to please make sure the program is included in the FY17 budget.

Sincerely,

Maddison Namna, Boat Operator  
ATMI Finfish Technician



Testimony Submitted To

U.S. HOUSE APPROPRIATIONS COMMITTEE  
SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT,  
FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

March 2016

Concerning

SUPPORT FOR THE REGIONAL AQUACULTURE CENTERS

Written Testimony Submitted by:  
Jim Blankman  
Aquatic Resource Management  
Manning, Iowa

Dear House Members:

USDA Regional Aquaculture Centers (RAC's) are an integral part of the continued growth of the aquaculture industry in the United States. Aquaculture production in the United States now exceeds 1.13 billion dollars. As members of the U.S. House Appropriations Committee you are in a position to put the United States at the forefront of the aquaculture industry by continuing to fund the USDA Regional Aquaculture Center (RAC) program. I urge you to fund this critically important program at the fully authorized level of \$5 million for FY2017. *As I understand it, the RAC program is not included in President Obama's fy17 budget. If funding for this essential program is discontinued, it will have a significant impact on my business and the U.S. aquaculture industry. This letter is to advocate for the restoration of the RAC budget to the*

*maximum appropriated amount of \$5 million.*

Seafood continues to rank high on our imports list, with a trade deficit over 9 billion dollars.

The United States captures and produces less than one third of the 10 billion dollar's worth of fisheries products it consumes each year. The per capita consumption of finfish and shellfish in the U.S. is about 15.9 pounds per year for a total consumption of over 2.2 million metric tons.

This information indicates the importance of seafood in the American diet. Culturing seafood products in the United States through aquaculture has unlimited potential.

In 2006, an international team of researchers predicted that all the world's major seafood populations will collapse by 2048 if overfishing and habitat destruction continue. Three fourths of all major marine fisheries are reported to be fully exploited, overfished, or severely depleted. Aquaculture accounted for only 46% of the global seafood supply but continues to be the fastest- growing animal food-producing sector in agriculture. Aquaculture production is currently outpacing population growth, with per capita production from aquaculture increasing from .7 kilograms in 1970 to 7.8 kilograms in 2008, an average annual growth rate of 6.6 percent. Fish and seafood contributes more than 140 million metric tons of highly valued food every year and is the primary source of animal protein for ¼ of the world's population. It is clear that the aquaculture industry will need to continue its growth.

As traditional farming operations continue the trend from small family owned operations to large-scale corporate farms, many family farms continue to look at aquaculture as a way to stay viable or diversify their operation. Losing or reducing critical funding will have a devastating effect on the aquaculture and baitfish industry, which will then trickle down to the sport fishing and agriculture industry in general. Technology in aquaculture is improving at an amazing rate thanks to the RACs and the projects they fund. Supporting RACs provides these tools through

multiple sources including research, online and hands-on workshops, educational programs, production manuals, technical bulletins, and critical extension staffing.

Disrupting the funding to these centers would be a major blow to an industry and a country that needs to begin producing aquaculture products on a global scale while reducing the import of products that can be produced within our own borders.

The RACs are the lifeline of the aquaculture industry. It is absolutely crucial to fully fund the RACs for aquaculture's continued growth. Please continue to show your support for the aquaculture industry by providing the RACs full funding so they may continue the work that is vital to the future of aquaculture in the United States. This funding is leading to an industry that is competing in the world market which will begin to limit our need for foreign imports.

Thank you.

Jim Blankman

Testimony Submitted To

U.S HOUSE APPROPRIATIONS COMMITTEE  
SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT,  
FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

March 2016

Concerning

SUPPORT FOR THE REGIONAL AQUACULTURE CENTERS

Written Testimony Submitted by:  
William E. Lynch Jr., Co-Owner & Manager  
Millcreek Perch Farms LLC  
Chair, Industry Advisory Council, NCRAC  
President, Ohio Aquaculture Association

Dear Honored Members of Congress:

I write to you in support of funding the USDA Regional Aquaculture Center (RAC) program at the fully authorized level of \$5 million for FY2017. *As I understand it, the RAC program is not included in President Obama's fy17 budget. If funding for this essential program is discontinued, it will have a significant impact on my business and the U.S. aquaculture industry. This letter is to advocate for the restoration of the RAC budget to the maximum appropriated amount of \$5 million.* Aquaculture (including aquaponics) is the fastest growing segment of agriculture in the United States today, and yet we still have a \$11.5 billion seafood deficit in this country. It is widely reported that the quality of the seafood being imported into this country is far below the standards set for our U.S. producers. Several state departments of agriculture have tested some of these imports and have found elevated levels of mercury, PCBs, antibiotics, and carcinogens. To ensure our citizens have access to safe seafood to consume, we must produce more seafood here in the U.S. where the regulatory framework, such as the Seafood HACCP Program, ensures the safety of our nationally grown seafood. Expanding our seafood production here in the U.S. also creates more jobs in the aquaculture industry itself as well as in

industries that support aquaculture, such as feed, pump & plumbing suppliers, construction, etc.

Given that most aquaculture occurs in rural areas, an expanding aquaculture industry benefits our rural communities and the many small family farms located therein. I would be remiss in not mentioning the dramatic rise in interest in aquaponics, an integrated aquaculture – plant production model that can be of considerable benefit to urban areas by re-using industrial buildings that no longer can be used for their original intent. Aquaponics can also provide communities with locally grown, wholesome food at competitive prices to those shipped in from long distances.

For aquaponics and aquaculture ventures to be profitable, well crafted, industry-relevant research and extension projects must be developed and delivered to the very people in need of it, fish culturists. The five RAC's of the USDA Regional Aquaculture Center Program are uniquely positioned to provide leadership in accomplishing the development of such projects. Let me illustrate this by providing the North Central Regional Aquaculture Center's (NCRAC) strategies to enhance aquaculture in its region:

- Developing transferable technology enabling producers to be profitable;
- Engaging in research partnerships between industry, universities, and public agencies;
- Disseminating relevant educational materials to achieve profitable margins of operation;
- Providing demonstrations and regular extension programs; and
- Fostering open dialogue and networking throughout the NCR aquaculture community

With strategies such as these guiding their programs, it is easy to see why the RAC program has earned the trust of the aquaculture community and is looked at to provide the quality research and extension programs to make aquaculture profitable in the U.S. But to accomplish and expand such programs, the RAC's must be fully funded to the authorized level originally



intended. Aquaculture development is hindered by a number of impediments that only well designed research and extension programs can overcome. Let me highlight three. First and foremost is the high cost of feed. Currently one of the largest costs involved in aquaculture production are feed costs. The costs of the raw components to make fish feed are continuing to increase, with the largest increase being the cost of fish meal and fish oil that is primarily wild caught. We must pursue the research necessary to find replacement protein sources for the growing demand for fish food. Aquaculture producers do not have the facilities or laboratories necessary to do this kind of research. It is therefore necessary for the universities and Land Grant colleges to conduct the studies necessary to implement these renewable protein sources for fish feed. This is where full funding of the RAC's at \$5 million is necessary as these funds can be awarded to such centers of higher learning to conduct the necessary research. It is important to note, based on current research, that many of these fish meal and fish oil replacements will likely come from our counterparts in production agriculture, such as soybean & corn growers, feather meal from poultry operations, and distiller's grains from the production of ethanol. Thus, expanding aquaculture and incorporation of non-fish based components in fish feed will benefit the agricultural community in general.

Second, the cost of high quality, feed trained fingerlings is a major impediment to the expansion of "promising" fish species to be grown for human consumption, such as walleye, largemouth bass, bluegill, and yellow perch. Currently, feed trained fingerlings of such species are very expensive due in large part to low production of fry for feed training. Ongoing research is needed to investigate strategies to increase production of such fingerlings, such as improved production pond fertilization techniques, development of high-quality broodstocks, and enhanced immediate use of artificial feeds as first feeds rather than expensive live feeds.

Funding is required to accomplish such research as culture operations don't have the expertise to conducting the necessary studies.

Third, the importance of extension programming cannot be underestimated, and in my opinion, plays a critical role in a third impediment to successful aquaculture expansion – the need for realistic business and marketing plans by fish culturists. As chair of NCRAC's Industry Advisory Council and a retired Aquatic Extension Specialist at The Ohio State University, I took numerous phone calls or emails from new fish culturists who grew fish but had no idea as to where to sell their fish. They had not done any market planning, a key component of a successful business plan. They simply dug a few ponds or installed tanks into a building, grew some fish, and then wondered where to market their fish. All new culture operations or individuals interested in aquaculture need access to in-depth information on how to develop business plans, work cooperatively, and market their products. This goes beyond the standard printed factsheets. Actual hands-on workshops are critical to developing business plans or cooperatives, where the outlines of such plans can be developed in the presence of business planning extension educators and industry mentors who have developed successful plans themselves. The RAC's are uniquely positioned to conduct such educational programming as they have partners in agricultural business planning at the various land grant universities as well as knowledge of successful fish culturists who can serve as mentors.

Perhaps I can provide no better examples of how important the RAC's are to U.S. aquaculture than how the RAC's have helped in the success of my own operation Millcreek Perch Farm, LLC. Nearly all of the knowledge I've obtained on fry and fingerling production of yellow perch has come from NCRAC publications, such as the Yellow Perch Culture guide, research results from NCRAC funded research, as well as the investigators themselves. The excellent

water quality information sheets developed by the Southern Regional Aquaculture Center (SRAC) serve as the basis for all of my water quality monitoring, a must read by any person connected to our operation. Similarly, the excellent fish husbandry and disease information generated by SRAC and the Western Regional Aquaculture Center (WRAC) are critical to preventing disease within our yellow perch operation, and critical to our development of a biosecurity / animal husbandry Best Management Plan for Millcreek Perch Farm. As you can see, the RAC's have played an instrumental role in our success.

As Chair of NCRAC's Industry Advisory Council I have the opportunity to help lead the process by which the NCRAC funds are directed to different projects. In a typical funding cycle, we receive far more project statements of interest than we could ever hope to fund. The last two years, we have had potential projects submitted that totaled 1.3-1.5 million dollars, but have had only about \$400,000 annually in funds to support such projects. It has been difficult for the NCRAC community to choose between the different projects, they were all important, but we had to pick only a few because of the limited funding.

I do not presume to know how difficult it is for you to decide who will receive funding and who will not, or how much they will receive. All I can tell you is in my experience I see the monies spent to fund the RACs as worthwhile. When you consider the way the funds are leveraged with existing funds and personnel and the incredible amount of volunteer hours, I believe we as taxpayers are getting a lot of value for our tax dollar. So with all due respect I urge you to fully fund the RAC program. I thank you in advance for your careful consideration of this matter.

Testimony Submitted to

U.S. HOUSE APPROPRIATIONS COMMITTEE  
SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT,  
FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

March 2016

Concerning

SUPPORT FOR THE REGIONAL AQUACULTURE CENTERS

March 12, 2016

Written Testimony Submitted by:  
Sebastian M. Belle, Executive Director  
Maine Aquaculture Association  
P.O. Box 148  
103 Water Street, 4<sup>th</sup> Floor  
Hallowell, ME 04347

Mr. Chairman and Members of the Subcommittee:

It is an honor to offer testimony in support of funding for the USDA Regional Aquaculture Center (RAC) program. My name is Sebastian Belle, and I am the Executive Director of the Maine Aquaculture Association. The Maine Aquaculture Association is the oldest aquaculture association in the country. We represent domestic producers that grow oysters, mussels, seaweed, salmon, cod, halibut, trout, and baitfish. Our membership also consists of a significant number of companies that provide goods and services to our farmers. Our members' annual farm gate sales exceed \$100 million and we provide over 90 million healthy seafood meals to U.S. consumers every year. I am requesting, on behalf of the Maine Aquaculture Association and its members, that the USDA Regional Aquaculture Centers funding be reinstated at the fully authorized level of \$5 million for FY17. The RAC program is an unusually effective federal program, and full funding is needed to retain this effectiveness.

The U.S. is the third largest market for seafood in the world. We currently import over 90% of the seafood consumed in this country, contributing over 11.6 billion dollars to our national trade deficit. Over 57% of this imported seafood is from aquatic farms in other countries with little environmental, labor, or food safety regulation. The most recent USDA dietary guidelines specify that Americans should double their seafood intake in order to help us overcome a number of national health challenges such as cardiac health and childhood obesity. In order to meet this demand and compete with the growing demand for seafood from an expanding middle class in South America and Asia, the U.S. must dramatically increase its domestic aquaculture production. Without this expansion, U.S. food prices will increase significantly and our emerging health crisis worsen.

The U.S. has some of the world's greatest fresh and salt water resources and relevant scientific expertise. The business of aquaculture is founded on the need for cutting edge scientific research. The Regional Aquaculture Center system performs a vital role in assisting domestic aquaculturists. While traditional terrestrial agriculture has benefited from significant research and extension support over the years, aquaculture remains underserved. A case in point is the Regional Aquaculture Centers who have only been funded at half their authorized funding level since their inception. The Regional Aquaculture Centers have played a vital role in the development and maintenance of our domestic aquaculture industry. It is now time to significantly increase their funding so that they have the resources to help address our national needs.

With significant questions emerging regarding the safety of imported foods and large national trade deficits driven by domestic producers at competitive disadvantages, a significant investment in aquaculture research and extension is essential. The Regional Aquaculture Centers

have the potential to address this national need and should be fully funded with a steady increase in funding over the next 10 years. This strategy would represent a prudent investment in our nation's future and will yield returns on investment far in excess of these funding levels. I urge you to support and fund the Regional Aquaculture Centers fully.

Thank you in advance for your consideration; if you need further information on this topic I am available at the address above.

Sincerely yours,

Sebastian Belle, Executive Director

Maine Aquaculture Association

cc: Senator Susan M. Collins

Senator Angus S. King, Jr.

Congressman Bruce Poliquin

Congresswoman Chellie Pingree

Testimony Submitted to

U.S HOUSE APPROPRIATIONS COMMITTEE  
SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT,  
FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

March 2016

Concerning

SUPPORT FOR THE REGIONAL AQUACULTURE CENTERS

Written Testimony Submitted by:  
Robert Rheault, Ph.D., Executive Director,  
East Coast Shellfish Growers Association  
1623 Whiteville Rd., Toms River, NJ 08755  
(410) 783-3360 bob@ECSGA.org

Mr. Chairman and Members of the Subcommittee:

It is an honor to offer testimony in support of funding for the USDA Regional Aquaculture Center (RAC) program. My name is Robert Rheault and I serve as Executive Director of the East Coast Shellfish Growers Association, 1623 Whitesville Road, Toms River, NJ 08155. As I understand, the RAC program is not included in the administration's FY17 budget request. If funding for this essential program is discontinued, it will have a significant impact on many of our members' businesses and will delay the development of the U.S. aquaculture industry. Historically the RACs have received appropriations of \$4 million per year. I am requesting, on behalf of the East Coast Shellfish Growers Association, that the USDA Regional Aquaculture Centers be funded at the fully authorized level of \$5 million for FY 2017. The RAC program is an effective Federal program, and the administrative talent and resources of the Center would be more efficiently deployed if the RACs were deploying and administering larger grants.

The East Coast Shellfish Growers Association (ECSGA) is a non-profit industry association that represents over a thousand small shellfish farms from Maine to Florida. Collectively these farmers

produce over \$155M in sustainable, farmed shellfish. These firms in turn support dozens of other related support industries in rural coastal areas. We provide thousands of jobs directly, and thousands more indirectly. Our industry has enjoyed a double-digit growth rate in recent years. We employ out-of-work fishermen, veterans and anyone who is willing to work hard on the water. Our industry has been shown to be highly sustainable with many documented, tangible environmental benefits associated with our work. Shellfish aquaculture provides about 40% of our national aquaculture output, and over 90% of our marine aquaculture production. Several experts have concluded that our industry holds more potential than perhaps any other for substantial increases in production in the near term. The U.S. currently imports over 91% of the seafood consumed in this country, which adds more than \$7.5 billion to our national trade deficit. Aquaculture can play a role in replacing some of these imports

The RACs play an important role in fostering the development of this emerging industry. We have many significant research challenges in areas as diverse as production technologies, shellfish diseases, ocean acidification, selective breeding and human health. For example, support from NRAC has funded the development of Best Management Practices, has helped develop better tools for detecting *Vibrio* bacteria, developed management strategies for an emerging mussel culture industry and much more.

While traditional terrestrial agriculture has benefited from significant research and extension support over the years, aquaculture remains underserved. Shellfish farmers are challenged by disease and weather in addition to water quality and user conflict issues. Our industry is dominated by small producers so it is difficult to mount significant marketing campaigns or sustain selective breeding programs. We are also ineligible for Federal marketing and research dollars that have been allocated for the larger commodity crops. With the eradication of earmarks there are now very few funding



opportunities that we can turn to for our critical research needs.

The Regional Aquaculture Center program has an authorized annual funding limit of \$5 million, however the appropriated level of funding has never met that level. Once this sum is divided among the five regional Centers, there is dismayingly little to invest in our many research and development priorities. Aquaculture research funding is an investment in growing our domestic food supply with positive results for our seafood trade deficit and our national food security. Recent projections on the global seafood supply and demand project a global deficit of 40 million metric tons in 2030.

Investments in aquaculture research will ensure that we can develop tools to meet this challenge. We strongly encourage funding for the Regional Aquaculture Center program at the \$5 million appropriated level or higher.

Thank you in advance for your consideration. If you need further information please don't hesitate to contact me.

Sincerely,  
 Robert B. Rheault, Ph.D.  
 Executive Director  
 East Coast Shellfish Growers Association  
 1623 Whitesville Rd.  
 Toms River, NJ 08755  
 (401) 783-3360  
 bob@ECSGA.org

Pursuant to Clause 2(g)(4) of Rule XI of the Rules of the House of Representatives, I hereby provide the following information regarding Federal grants received by the East Coast Shellfish Growers Association in the past two fiscal years.

Calendar Year	Agency	Program	Amount	Grant Number
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**CATFISH FARMERS OF AMERICA**  
1100 HIGHWAY 82 E. SUITE 202  
INDIANOLA, MISSISSIPPI 38751  
(662) 887-2699 • (662) 887-6857 FAX  
catfishfarmers@bellsouth.net

Testimony Submitted to

U. S. HOUSE APPROPRIATIONS COMMITTEE  
SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT,  
FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

March 2016

Concerning

SUPPORT FOR THE REGIONAL AQUACULTURE CENTERS

Written Statement by  
Mr. Roger Barlow  
Executive Vice President  
Catfish Farmers of America  
1100 Highway 82 E. Suite 202,  
Indianola, MS 38751  
roger@uscattfish.com

Mr. Chairman and Members of the Subcommittee: As I understand it, the RAC program is not included in President Obama's FY17 budget. If funding for this essential program is discontinued, it will have a significant impact the U.S. aquaculture industry. This letter is to advocate for the restoration of the RAC budget to the maximum appropriated amount of \$5 million.

My name is Roger Barlow, Executive Vice President of Catfish Farmers of America (CFA) a non-profit trade association that was formed in 1968. CFA is an association of U.S. Farm-Raised Catfish producers, suppliers, processors, and marketers. Our purpose is to develop, stimulate, and

encourage harmony, goodwill and understanding among catfish farmers and to promote the general welfare of the U.S. catfish industry.

The USDA Southern Regional Aquaculture Center (SRAC) has a 27-year history of supporting American fish farmers. The Center is the only science-funding program I am aware of that allows farmers to identify the major problems that need to be addressed by scientists. Because projects are identified and developed at the grass-roots level, the results have practical benefits that are quickly delivered to the farmer. This is an extremely unique and effective way to develop research programs. I would like to point out two examples of how the Southern Regional Aquaculture is meeting our needs by conducting research to help address these issues.

Many catfish farmers feel that intensifying fish production will reduce production costs.

Intensified production systems such as smaller conventional earthen ponds with increased aeration rates, split-pond systems, and in-pond raceways will likely continue to draw the interest of catfish farmers in the future but without a thorough economic analysis there can be no definitive recommendations. The "Performance Evaluation of Intensive, Pond-Based Culture Systems for Catfish Production" project funded by SRAC will evaluate the production efficiencies of these new production systems on commercial catfish farms. Based on these findings, a complete economic analysis will be performed and will provide the necessary guidance to make recommendations to farmers. In addition, detailed physical descriptions of each culture system will be thoroughly investigated and the most efficient and practical designs will be recommended to farmers.

A highly virulent strain of the bacteria *Aeromonas hydrophila* is the causative agent of an ongoing epidemic in farmed catfish. Originally confined to Alabama and East Mississippi, the epidemic has spread to the Mississippi Delta and is poised to cause millions of dollars in losses

to an already beleaguered industry. There is an urgent need to understand the environmental and human factors that contribute to its spread, develop effective disinfection and management practices that can result in improved biosecurity, and to develop control measures for farms afflicted with this epidemic. A SRAC project has been funded to determine 1) the environmental factors and animal vectors correlated with abundance and dissemination, 2) the disinfection methods for removal from seines, and 3) the efficacy of vaccine and/or probiotics in preventing mortality in farmed catfish.

The Regional Aquaculture Centers have been level-funded at about 50% of the authorized funding level amount for more than 26 years. Level funding has severely reduced the capabilities of the Centers to address problems facing the industry, especially in these extremely critical times.

I strongly urge Congress to fund the Regional Aquaculture Center program for the fully authorized \$5 million for FY 2017. Full funding is an excellent investment in an economic sector that creates jobs and fosters economic growth in rural areas of the U.S. and is essential for the U.S. aquaculture industry to remain competitive and to improve productivity and efficiency.

Sincerely,

Roger Barlow  
Executive Vice President  
Catfish Farmers of America



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Testimony Submitted to

U. S. HOUSE APPROPRIATIONS COMMITTEE  
SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT,  
FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

March 2016

Concerning

SUPPORT FOR THE REGIONAL AQUACULTURE CENTERS

Written Statement by  
Charles M. Collins, Director  
Catfish Farmers of Arkansas  
Mena, Arkansas

Mr. Chairman and Members of the Subcommittee, I appreciate the opportunity to provide testimony in support of the USDA-NIFA Regional Aquaculture Center program. My name is Charles M. Collins and I am Executive Director of Catfish Farmers of Arkansas. The association that I represent was established in 1975 and is made up of catfish producers, suppliers/industry related businesses, researchers/education personnel, and others involved in promoting, producing, and marketing U.S. Farm Raised Catfish. As I understand it, the RAC program is not included in President Obama's FY17 budget. If funding for this essential program is discontinued, it will have a significant impact the U.S. Catfish industry. This letter is to advocate for the restoration of the RAC budget to the maximum appropriated amount of \$5 million.

Aquaculture in the United States has grown to be of significant importance in many areas. United States aquaculture industries and their product markets have matured to the point where the dynamics of national economy, federal and state policies, and international trade can have significant and unanticipated effects on the financial health of U.S. aquaculture businesses. I would like to point out two examples of how the Southern Regional Aquaculture is meeting our needs by conducting research to help address these issues.

The use of hybrid catfish is expanding and this is a key component to the survival of the U.S. farm-raised catfish industry. However, the rapid growth rate of the hybrid has presented some unique problems such as variable fish growth and more difficulty in year-round harvest. The new “Hybrid Catfish” project will explore impact of culture system, harvest technology, fingerling size and variability, grading, genetics, time and rate of stocking and feeding rate on size variability at harvest and the ability to accomplish year-round harvest will be examined. The economic impact of these variables on production costs and net returns will allow side-by-side comparisons to be made and prioritized for development of recommended practices for producers.

Negative impacts due to infectious diseases are considerable in intensive aquaculture, and cost millions of dollars in lost revenues due to mortality and reduced production efficiency. Interest in the use of prebiotics and probiotics in aquaculture has developed due to the beneficial effects reported for these diet additives to terrestrial animals including enhanced production efficiency, increased nutrient utilization, and improved disease resistance. The goal of the “Prebiotics and Probiotics in Intensive Production Systems” project is to increase profitability of intensive aquaculture through the application of commercial prebiotic and probiotic compounds as functional diet supplements. This project will focus on testing of such products which may lead

to improved health, production efficiency, and survival of prominent species cultured in the southern U.S. under intensive pond and recirculating aquaculture system (RAS) conditions.

The above mentioned projects represent only a small part of the Regional Aquaculture Center programs. The program has been level-funded for the past twenty-six years and this is especially a time when we need to increase our research efforts in aquaculture and not eliminate this important program. The U.S. Farm Raised Catfish Industry is presently faced with severe economic problems and needs assistance to help bring this industry back to profitability. The Regional Aquaculture Center Program can assist in helping solve some of these problems. Catfish Farmers of Arkansas recommends that the Regional Aquaculture Center Program receive full funding for FY 2017 so that the Centers can continue their valuable work.

Sincerely,

Charles M. Collins, Director  
Catfish Farmers of Arkansas

# *Whiskey Creek Shellfish Hatchery, Inc.*



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Concerning

SUPPORT FOR THE REGIONAL AQUACULTURE CENTERS

Written Statement by  
Suzanne Cudd  
Owner Operator  
Whiskey Creek Shellfish Hatchery, Inc.  
Tillamook, OR

Mr. Chairman and Members of the Subcommittee, I appreciate the opportunity to provide testimony to support the work of the USDA-NIFA Regional Aquaculture Centers. The research funded by the Centers has been of substantial benefit to the aquaculture industry in the United States. I would like to encourage you to fund the program at the authorized level of \$5 million for FY 2017.

My name is Suzanne Cudd and I am the owner operator of Whiskey Creek Shellfish Hatchery. We are one of the major suppliers of oyster, clam and mussel larvae for the west coast shellfish growers. The shellfish industry is a large employer in some of the coastal communities on the northwest coast.



In the past the RAC's have been instrumental in funding shellfish genetic programs as well as development of aquaculture of new species and disease research. Currently the WRAC is involved in a project looking at the water chemistry and its effects on shellfish in the new more acidic ocean conditions. This type of research will be critical in maintaining a viable aquaculture industry in our changing environment.

The USDA Regional Aquaculture Center program is an investment in growing our locally produced fish and shellfish species and in keeping the economy of our coastal communities viable and healthy. Thank you very much for your consideration and again I encourage you to fully fund the RAC program.

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FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

March 2016

Concerning

SUPPORT FOR THE REGIONAL AQUACULTURE CENTERS

Written Statement by:  
Mark E. Daily, President  
Idaho Aquaculture Association, Inc.  
PO Box 767  
Hagerman, ID 83332  
Email: [iaa@northrim.net](mailto:iaa@northrim.net)

Mr. Chairman and Members of the Subcommittee:

It is my honor to represent the Idaho Aquaculture Association and provide testimony in support of the Regional Aquaculture Centers administered by USDA/NIFA. I am writing to ask you and others on the House Appropriations Committee to please fully fund the Regional Aquaculture Centers for FY 2017 at the authorized level of \$5 million.

The Regional Aquaculture Centers play a unique role in support of aquaculture in our nation. Five million dollars is not much money when divided up among the five Regional Aquaculture Centers, but this money really packs a punch in support of our industries. We are members of the Western Regional Aquaculture Center (WRAC). The WRAC, hosted by the University of Washington, coordinates research and outreach in all areas of aquaculture within its 12-state region. The projects funded by the WRAC directly address needs of the aquaculture enterprises within the WRAC. These needs are identified by the WRAC Industry Advisory Council. Proposals for research to address these needs are generated by universities and research institutions within the 12 state region. The selection process is competitive, and the selected

projects are monitored closely and must show progress and economic impact. WRAC funding is rarely enough to fully fund a research project, but receiving WRAC funding opens the doors to additional resources. I have heard that the money from WRAC is seed money that can get research started. Selected projects have an advantage in getting funding from other sources since they have been heavily vetted and address prioritized needs of the aquaculture industry. Many times local fish farmers team-up with researchers and extension to conduct real world trials on the farmer's facility. Every funded project must have an extension component to insure that the research results get back to the fish farmers, closing the loop. It is this industry-research-extension partnership that insures taxpayers get the most bang for their buck possible.

WRAC funded research has had both immediate and long term impacts for aquaculture such as:

- Developing fish diets that reduce dependence on fishmeal from wild fish.
- Enabling the development of the farmed sturgeon caviar industry in California and Idaho.
- Providing critical information on environmental impacts needed by county, state, and federal regulators.
- Developing diagnostic tools and vaccines for fish diseases.
- Supporting industry growth that leads to jobs in rural communities.

Regional Aquaculture Centers are playing a vital role in keeping our aquaculture industry competitive, and capable of sustainably producing healthy, nutritious food for our nation. The U.S. imports over 90% of its seafood supply. A viable and sustainable U.S. aquaculture industry is necessary to ensure food security and economic development in rural America. I once again urge you to fully fund the Regional Aquaculture Centers for FY 2017 at the authorized level of

\$5 million. The American taxpayers are certainly getting their money's worth from this small, but vital investment.

Sincerely,

Mark E. Daily  
President, Idaho Aquaculture Association

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FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

March 2016

Concerning

SUPPORT FOR THE REGIONAL AQUACULTURE CENTERS

Prepared Statement By:  
Jeff Hetrick, Director  
Alutiiq Pride Shellfish Hatchery  
P.O. Box 369  
Seward, Alaska 99664

Mr. Chairman and Members of the Subcommittee:

My name is Jeff Hetrick. I am the Director of the Alaska Shellfish Institute and Alutiiq Pride Shellfish Hatchery located in Seward, Alaska. I am writing in support of continued and increased support for the Regional Aquaculture Centers (RAC). I note with extreme concern that the RAC program is not included in President Obama's FY17 budget. If funding for this essential program is discontinued, it will have a significant impact on my own business and also in the development of the U.S. aquaculture industry. This letter is to advocate for the restoration of the RAC budget to the maximum appropriated amount of \$5 million.

I am most familiar with the Western Regional Aquaculture Center (WRAC) and the projects that have been funded over the past ten years of my involvement. WRAC is set up as an unusual case where the industry is the driver for the process. Priorities are determined by members from the represented twelve states, passed on to researchers, and the results transmitted directly back to

the industry for application. The process is highly responsive and efficient with a long list of success stories.

Here at Alutiiq Pride Shellfish Hatchery, we raise shellfish such as oysters, cockles and geoduck clams for the private aquatic farm industry. We also raise razor clams and littleneck clams for the personal use and subsistence fisheries. In addition we have recently developed techniques for raising the pinto abalone, purple-hinge rock scallops, sea cucumbers and most excitingly blue and red king crab.

I have been involved with the aquaculture industry in Alaska for 25 years starting with the hatchery development and enhancement projects with pacific salmon. I have owned and operated my own oyster farm and have been involved with all facets of developing the shellfish mariculture industry through drafting legislation as President of the Alaskan Shellfish Growers Association, representing Alaska on the Pacific Coast Shellfish Growers Association. And the last ten years involved with WRAC as an Industry Advisory Council Representative, a past Chairman and Executive Committee member.

Unfortunately, the RAC's have not been funded at their authorized level and have remained even funded for many years. At a time when worldwide capture fisheries are failing to keep up with consumption, the worldwide aquaculture production is expanding logarithmically to meet the incredible demand. The U.S. contribution has become insignificant. It is important that the U.S. not continue to fall behind worldwide efforts. Funding the RAC's to their authorized levels should assist the U.S. aquaculture industry in reducing the trade imbalance for imported seafood and expand domestic and international markets for the species native to North America.

Domestic aquaculture has a competitive advantage over imported seafood in that it adheres to our USDA food safety regulations and does not expose the public to seafood of questionable origin.

Aquaculture in rural Alaska is seen as one of the few opportunities to revitalize coastal communities suffering from the loss of timber harvesting and decline in many wild capture fisheries. These jobs are expected to grow from the hundreds to thousands in the next five to ten years as more shellfish mariculture farms become fully developed. The Western Regional Aquaculture Center has funded the Molluscan Broodstock Program and presently funds a project on culture techniques for the Purple-Hinged Rock Scallop, which directly benefits Alaska. Programs such as this demonstrate the importance of partnerships with industry, academia and the government to advance our field.

Again, I encourage you to fund the RAC's to their full level.

Sincerely,  
Jeff Hetrick  
Director  
Alutiiq Pride Shellfish Hatchery



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March 2016

Concerning

SUPPORT FOR THE REGIONAL AQUACULTURE CENTERS

Written Statement By  
Donald B. Kent, President/CEO  
Hubbs-Sea World Research Institute  
2595 Ingraham Street, San Diego, CA 92109

Mr. Chairman and Members of the Subcommittee:

I am writing to ask you and others on the House Appropriations Committee to please authorize full funding for the Regional Aquaculture Centers administered by USDA/NIFA for FY 2017.

I am the President and CEO of the Hubbs-Sea World Research Institute with aquaculture laboratories in Carlsbad and San Diego, which have been conducting research in aquatic farming since 1977. We manage one of the largest marine fisheries replenishment programs in the country and operate the largest marine hatchery on the west coast, which provides juvenile fish to 12 coastal cages systems operated by volunteer recreational fishermen dedicated to rebuilding the depleted stocks off fish along California's southern coast. Our research is supported by the California Department of Fish and Wildlife, NOAA, USDA, Sea Grant and Western Regional Aquaculture Center (WRAC). All of these organizations share the goal of



ensuring that the expansion of aquatic farming is undertaken in an environmentally and economically sustainable manner thereby realizing its full economic potential.

WRAC is an industry-academia collaboration, wherein the aquatic farming industry identifies problem areas and researchers from multiple institutions work together to solve these problems through rigorous applied science. The need for this industry-academia partnership in the U.S. aquaculture sector is critical because:

- Over 90% of the seafood our nation consumes is imported and we are falling further and further behind other nations in securing our supply of healthy seafood.
- Over 50% of imported seafood is from aquatic farms in countries that may not adhere to our environmental and food safety standards.
- As the economies in Asia and South America continue to grow, the U.S. will experience greater competition for that imported seafood as the growing middle class in these regions develop an ability to out compete U.S. markets by paying more for the seafood.
- The 2010 USDA Dietary Guidelines specify that Americans should double their seafood intake by eating fish/seafood twice a week, which means that domestic aquaculture production will be more important than ever if we are to overcome our Nation's health problems like childhood obesity.
- If we are to meet that need with U.S.-raised fish/seafood that is healthy and safe, we MUST expand our domestic aquatic farming capabilities.

Established 25 years ago, the Regional Aquaculture Center program has five regional centers.

The Western Regional Aquaculture Center, hosted by the University of Washington, coordinates research and outreach in all areas of aquaculture within its 12-state region. With a relatively minimal annual investment, this industry-academia research partnership has resulted in many

significant economic and environmental gains to this important food-producing sector. These include:

- Developing fish diets that reduce dependence on fishmeal from wild fish.
- Aiding development of the \$50 million-per-year farmed sturgeon caviar industry in California and Idaho.
- Developing high-yield oyster lines for the \$110 million-per-year farmed shellfish industry.
- Providing critical information on environmental impacts needed by county, state, and federal regulators.
- Developing diagnostic tools and vaccines for fish diseases of major negative economic impact.
- Supporting industry growth that leads to jobs in rural communities (in Washington, shellfish farming is the first and second largest employer in Pacific & Mason counties, respectively, with an annual payroll of \$27 million).

California supports the world's largest agricultural economy (over \$40 billion annually) with diverse production across the entire range of livestock and plant production. Aquatic farming in California has annual sales in excess of \$100 million and the industry has the capacity to grow substantially with the development of new fish, shellfish and plant products.

If we, as a nation, are serious about feeding our population healthy, safe seafood that ensures food security, reduces our trade imbalance, and helps decrease obesity problems, we must continue to support the development and expansion of our domestic aquatic farming industry. If we don't invest in research, we will fall further behind and find ourselves with a diminishing capacity to

secure our Nation's seafood supply. RAC research is an investment in long-term health of our Nation and its economy.

We are grateful to you for your continued commitment to champion issues key to our nation including support for education and preserving our environmental integrity. Consistent with your demonstrated leadership, the Hubbs-Sea World Research Institute urges you to authorize full funding for the Regional Aquaculture Centers to support our domestic aquatic farming industry. I would welcome the opportunity to discuss this request with the sub-committee members or their staff further.

Sincerely,

Donald B. Kent, President/CEO



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SUPPORT FOR THE REGIONAL AQUACULTURE CENTERS

Written Statement by  
Jeremy Liley  
President  
Liley Fisheries, Inc.  
Boulder, Colorado

Mr. Chairman and Members of the Subcommittee, thank you for allowing me the opportunity to provide testimony in support of the USDA-NIFA Regional Aquaculture Centers (RACS). I have recently been alerted to the fact that funding for the RAC program is not included in President Obama's FY17 budget. For all the reasons outlined later in this testimony, discontinuation of funding for this highly successful program would have a major impact on my own business, on commercial aquaculture in Colorado, and would have serious consequences for U.S. aquaculture overall. I am providing testimony in support of continued and increased funding for the Regional Aquaculture Centers at the maximum appropriated amount of \$5 million.

My name is Jeremy Liley. I am the President and owner of Liley Fisheries, Inc., a private aquaculture business raising trout in Colorado and Nebraska. Liley Fisheries produces trout for the economically important private recreational fishing industry in Colorado and surrounding states.

The Regional Aquaculture Centers have been an important funding source for research vital to the domestic aquaculture industry. The RACS are a unique program, and one of the few, where research priorities are developed and prioritized by industry, based on industry needs.

Unfortunately, funding for the RAC programs has remained level for many years.

The Western Regional Aquaculture Center (WRAC), of which Colorado is a member State, has funded a number of recent projects considered vital to the growth of aquaculture in the Western United States. As an example, WRAC funded a project in 2007 titled, "The Economic Contribution of the Private, Recreation-Based Aquaculture Industry in the Western United States". The research from this study determined that the private recreation-based aquaculture industry in the Western United States provides an annual economic contribution of over 2.0 billion dollars and over 26,000 jobs to the States in the Western region. This research was very important to our small (less than 170 facilities) recreation-based aquaculture industry by showing that we provide an important contribution to the economy in our region.

Additional WRAC research considered vital to the survival and growth of the industry in the West has focused on raising species of economic and recreational importance like sturgeon and cutthroat trout, development of mollusk seed stock for the shellfish industry and development of alternative plant proteins for use in fish feeds to replace the current use of marine fish meals which are less sustainable.

The USDA-NIFA Regional Aquaculture Center program is an investment in growing our domestic aquaculture supply. I strongly encourage full funding for the Regional Aquaculture Center program. Additionally, I strongly support funding to the authorized funding level of \$5 million.

Regards,

Jeremy Liley



JOHN R. MACMILLAN  
VICE PRESIDENT

CLEAR SPRINGS FOODS, INC.  
P.O.Box 712, Buhl, Idaho 83316  
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SUPPORT FOR THE REGIONAL AQUACULTURE CENTERS

Written Statement by

John R. MacMillan, Ph.D.  
Vice President  
Clear Springs Foods, Inc.  
Buhl, Idaho

Mr. Chairman and Members of the Subcommittee, thank you for the opportunity to provide testimony supporting the important work conducted by the USDA-NIFA Regional Aquaculture Centers. I appreciate the past support Congress has provided for the Aquaculture Centers and ask you to continue that support by funding the program at the authorized level of \$5 million for FY 2017.

My name is John R. (Randy) MacMillan. I am Vice President for Research, Technical Services and Quality Assurance at Clear Springs Foods, Inc. Clear Springs Foods is an employee owned, vertically integrated seafood company located in Buhl, Idaho. Clear Springs Foods is the largest producer of farm raised rainbow trout in North America, if not the world. We are a major employer in south-central Idaho.

The Regional Aquaculture Center programs are significant contributors to our current success and to our future. The Centers (there are five) are uniquely designed to integrate scientific, extension and producer talent within a region, to support aquaculture research, development, demonstration, and extension education. Through collaborative research and extension education programs the regional centers help develop the art of fish farming into a science that can be practically applied by individual farmers and industry sectors. The centers address the key issues identified by producers themselves.

For example the Western Regional Aquaculture Center (WRAC) is keenly aware of the high costs of fish production. To help address this, research is ongoing to identify ways to select the fastest growing embryos for use as brood stock. Such a selection would allow farmers to use those animals that can best utilize feed in a production environment. In other research WRAC has funded research to discover cost-effective, alternative protein diets for rainbow trout that support optimal growth, health and product quality. In still other projects, the WRAC has sought to develop vaccines and good husbandry tools that would prevent and control infectious disease without use of drugs, and that have significant economic burden on the fish farming community. Not only is the science helpful for farmers financially, but moves domestic aquaculture ever further towards environmental sustainability.

The USDA Regional Aquaculture Center program is an investment in growing our domestic seafood supply. I am extremely concerned that the RAC program is not included in President Obama's FY17 budget. For all the reasons described above, losing funding for this essential program would have serious consequences for my own company, and for the development of commercial aquaculture in Idaho and the U.S. generally. I strongly encourage full funding for the Regional Aquaculture Center program.



Additionally, I strongly support funding to the previously authorized funding level of \$7.5 million.

Thank you for your consideration.

Christine Boldt, Executive Vice President

Association of Floral Importers of Florida (AFIF)

[Christine@afifnet.org](mailto:Christine@afifnet.org)

Subject: More agricultural inspectors are needed in the #1 perishable airport

The number of Customs and Border Protection (CBP) Agricultural Inspectors that fulfill the mission of USDA APHIS are not adequate for the amount of perishable shipments and commodities that we receive at Miami International Airport and for the other ports that are in South Florida.

The acceptable response time for a call is supposed to be 2 hours and currently we are experiencing 6, 8, 10 or even 12 hours before the response to the inspection request. This is not acceptable for the movement of the agricultural commodities.

The inspectors have approximately 25 locations that they need to cover and the amount of perishable commodities continues to grow which stretches the officers that are available to do the inspections. We currently have 24/7 service from CBP but there are not enough inspectors to cover the large volumes that we have. Our products are very perishable so every hour that they sit in the warehouses waiting for inspections is less time that the US consumer will have with the products we have to sell.

We will lose business to other countries if we cannot solve the problem of the delays in the inspections that we are currently receiving.

Thank you for your time in this important issue.

## Fiscal 2017 Agriculture Appropriations



AVMA SUPPORTS

Federal funding is needed to secure programs that directly impact veterinary medicine, animal health and welfare, food safety, animal disease surveillance and public health.

### TOP REQUESTS:

- \$6,500,000 – Veterinary Medicine Loan Repayment Program
- \$2,500,000 – Veterinary Services Grant Program
- \$2,500,000 – Food Animal Residue Avoidance Databank
- \$15,000,000 – National Animal Health Laboratory Network
- \$900,000,000 – Animal and Plant Health Inspection Service
- TBD – Antibiotic Resistance Funding

### Veterinary Medicine Loan Repayment Program / 7 USC 3101, Section 1415A

AVMA requests \$6,500,000, a \$1,500,000 increase over FY16 funding.

USDA	FY	Final	P.L.
NIFA/REE	2016	\$5,000,000	114-113
NIFA/REE	2015	\$5,000,000	113-235
NIFA/REE	2014	\$4,790,000	113-79
NIFA/REE	2013	\$4,436,146	113-2
NIFA/REE	2012	\$4,790,000	112-55
NIFA/REE	2011	\$4,790,000	112-10
NIFA/REE	2010	\$4,800,000	111-80

**Purpose:** Participants provide veterinary medical care primarily for livestock including beef cattle, dairy cows, poultry, swine, dairy goats, meat goats, sheep and equine in USDA designated veterinary shortage situations. They play a vital role in protecting food safety and overseeing the use of antimicrobials in food-producing animals, per the FDA's new Guidance for Industry #209 and #213.

**Eligibility:** Licensed veterinarians.

**Background:** Fewer than 60 awards can be made each year because there is not enough funding to permit all of the highest qualified applicants to be selected. Nearly 1,000 veterinarians have applied since 2010. Participants sign 3-year contracts to practice in designated VMLRP shortage situations. Veterinarians receive up to \$25,000/year towards educational loans.

Educational debt has doubled since 2003 when congress authorized VMLRP. In 2014, 88 percent of graduating veterinarians faced educational debt averaging \$170,000.

### Veterinary Services Grant Program / 7 USC 3101, Section 1415B

AVMA requests \$2,500,000. VSGP, authorized in the 2014 Farm Bill (PL 113-79) at \$10 million annually. It was funded for the first time in FY16. Following the passage of the omnibus in Dec. 2015 USDA has taken steps to promulgate regulations for the new program.

USDA	FY	Final	P.L.
NIFA/REE	2016	\$2,500,000	114-113

**Purpose:** VSGP grantees will address gaps in veterinary shortage situations by preparing veterinarians for rural practice; supporting veterinary services in shortage situations; facilitating private veterinary practices engaged in public health activities and practices of veterinarians who are providing or have completed service under VMLRP.

**Eligibility:** State veterinary medical associations, national, allied, or regional veterinary organizations, specialty boards; colleges of veterinary medicine; university research or veterinary medical foundations; departments of veterinary science and comparative medicine; state agricultural experiment stations; state, local, or tribal government agencies; entities that operate a U.S. veterinary clinic providing veterinary services in a rural areas and in response to veterinary shortage situations.

**Report language request:** "Grantees fulfilling the terms of a contract under the USDA's Veterinary Medicine Loan Repayment Program, authorized by the National Veterinary Medical Services Act; or the Veterinary Services Grant Program, authorized by The Agricultural Act of 2014, shall be members of the National Veterinary Medical Services Corps and members who have fulfilled the terms of their grants shall be alumni of the Corps."

## FY17 Agriculture Appropriations

## AVMA ISSUE BRIEF

**Food Animal Residue Avoidance Databank / 7 USC 7642, Section 604**

AVMA requests \$2,500,000, the full authorized level.

USDA	FY	Final	P.L.
NIFA/Extension	2016	\$1,250,000	114-113
NIFA/Extension	2015	\$1,250,000	113-235
NIFA/Extension	2014	\$1,250,000	113-79
NIFA/Extension	2013	\$926,127	113-2
NIFA/Extension	2012	\$1,000,000	112-55
NIFA/Extension	2011	\$980,000	112-10
NIFA/Extension	2010	\$1,000,000	111-80

**Purpose:** FARAD helps keep milk, meat and eggs free of drug or contaminant residues (e.g. pesticides, minerals, biologic toxins) so that food they is safe for human consumption. FARAD scientists identify, gather, extract, analyze, generate, and extend residue avoidance information to determine scientifically-based withdrawal advice for veterinarians and livestock producers in situations involving accidental contaminations, agro-terrorism or legal extra-label drug use (ELDU) in both major and minor food-producing animal species.

**Background:** In FY15, FARAD handled 2,752 cases involving millions of animals where chemical residues were a concern.

Veterinarians and livestock producers using FARAD seek regulatory information on uses of food animal drugs. FARAD recommends withholding intervals following ELDU of selected drugs in selected species. Withholding intervals refer to the recommended period of time after an animal was last treated with a drug and before it can be sent to slaughter or its products can be sent to market. This enables food animal veterinarians to effectively treat animals with infectious disease while ensuring food safety.

Fully funding FARAD will allow the program to carry out many vital services which help keep animals healthy and our food supply safe.

FARAD is capable of improving the “real time” determination of withdrawals for legal ELDU in food animal species; providing expert advice in situations involving accidental or intentional contamination of food producing animals; validating higher-level mathematical approaches for determining safe withdrawal periods, validating withdrawal estimates and expanding into contaminant exposure; broadening the DHS data

elements and analyses to help mitigate the impact of intentional acts of bioterrorism on the nation’s food supply; and strengthening the global FARAD to ensure that imported foods are safe to eat and expanding the U.S. domestic exports.

**National Animal Health Laboratory Network / Agricultural Act of 2014 Section 12105**

AVMA requests \$15,000,000.

USDA	FY	Final	P.L.
NIFA & APHIS	2016	\$15,000,000 (all budget lines)	114-113

**Purpose:** NAHLN is an early warning system for emerging and foreign animal diseases and provides surge capacity for the necessary testing during disease outbreaks and during the recovery phase. NAHLN’s surveillance and emergency response system provides critical and ongoing resources for lab testing, information management, quality assurance and the development and validation of new tests. During the recovery phase testing is necessary to establish a “disease free status” which also ensures international trading partners of that status.

Funding will expand surveillance and surge capacity. Increases are needed to bolster the number and level of participating state labs; to spur development of infrastructure for electronic transmission of data between sample collectors, labs and state and federal databases; and increase efficiency and effectiveness of lab personnel training and employment both regionally and nationwide.

**Eligibility:** Federal, university, and state veterinary diagnostic laboratories. Participating labs can be found at <https://www.nahln.org/>.

**Background:** NAHLN was developed in response to the Public Health Security and Bioterrorism Preparedness and Response Act of 2002, and the Homeland Security Presidential Directive-9 of 2004 to “develop nationwide lab networks for food, veterinary, plant health and water quality that integrate existing Federal and State lab resources, are interconnected, and utilize standardized diagnostic protocols and procedures”.

Support for the NAHLN comes from USDA-NIFA’s Food and Agro-Defense Initiative and USDA-APHIS. Note: 34 NAHLN labs receive direct state appropriations of \$100 million toward total lab operation expenses of \$186 million.

Contact: Gina Luke at 202.289.3204 or [gluke@avma.org](mailto:gluke@avma.org)

## FY17 Agriculture Appropriations

## AVMA ISSUE BRIEF

**Animal and Plant Health Inspection Service**

AVMA requests \$900,000,000.

USDA	FY	Final	P.L.
APHIS	2016	\$894,400,000	114-113
APHIS	2015	\$874,490,000	113-235
APHIS	2014	\$824,896,000	113-79
APHIS	2013	\$756,214,215	113-2
APHIS	2012	\$816,534,000	112-55
APHIS	2011	\$865,000,000	112-10
APHIS	2010	\$904,953,000	111-80

**APHIS budget:** While APHIS funding has increased bit by bit over the last few years, much of it has been for an accounting adjustment reflecting changes in how rent is paid for facilities. This is not new money that can be used to fund APHIS programs.

Increases for APHIS are needed to support its full array of programs and services as well as manpower needs which suffered over the last several years. APHIS hired several hundred short-term appointments as part of its HPAI preparations.

**Disease surveillance:** APHIS' disease surveillance includes special emphasis on the NAHLN; foreign animal disease and transboundary disease response capability. It works to prevent 160 animal diseases from entering the U.S. that would cause economic devastation.

In FY16 congress provided APHIS with an additional \$5 million for the NAHLN. That combined with \$6.7 million typically uses to support the NAHLN brings the agency's total support to \$12 million. Support comes from four budget lines – veterinary diagnostics; cattle health; equine, cervid, and small ruminant health; and swine health.

**Animal disease traceability (ADT)** makes traceback efforts more efficient, which helps reduce the cost and impact of disease outbreaks. APHIS regulations cover interstate movement requirements for several species, including official identification and Interstate Certificates of Veterinary Inspection (ICVI) or other movement documentation. The National Veterinary Accreditation Program provides Training Module 12: Animal Disease Traceability which explains the role of animal health officials in the administration of traceability regulations. The module has been completed 3,517 times since its introduction in 2014.

**National Veterinary Accreditation Program (NVAP):**

APHIS requires veterinarians be accredited to provide services on behalf of the Federal government. Currently there are 64,034 accredited veterinarians in the U.S.

**Feral swine management:** APHIS uses \$20 million annually to reduce damage caused by feral swine, working to eliminate this invasive species where feasible. Feral swine are in at least 35 states inflicting more than \$1.5 billion in damages annually.

**Animal Welfare:** Protecting vulnerable animals from predation and those covered by the Animal Welfare and Horse Protection Acts from inhumane treatment and taking swift enforcement action in response to violations is essential. APHIS is only able to attend about 20 percent of all walking and racing horse shows. Still, APHIS inspectors find about a 6 percent violation rate of the Horse Protection Act compared to the average of 1 percent identified by industry-hired inspectors.

**National Animal Health Monitoring System (NAHMS)** collects, analyzes, and disseminates data on animal health, management, and productivity of U.S. livestock and poultry in the U.S. AVMA supports antibiotic use data collection through NAHMS and requests funding to enhance monitoring for antimicrobial resistant bacteria among livestock. Protocols are in place to collect on-farm data and to provide confidentiality protections. AVMA supports the development of metrics on antibiotic use and stewardship through collaboration between FDA, USDA, and affected commodities.

**Veterinary biologics:** APHIS is streamlining and improving vet biologics and biotechnology system processes. The Center for Veterinary Biologics (CVB) has improved its processes so new technologies can reach the market faster. CVB continues to increase its capacity to receive submission and received about 1,500 electronically in FY15.

**International programs integral to U.S. trade:** APHIS promotes U.S. agriculture in the international trade by developing and advancing science-based standards with trading partners. America's agriculture exports are worth more than \$50 billion annually. APHIS continues to work to eliminate unjustified restrictions to export markets related to BSE by engaging with countries that have had restrictions on U.S.-origin beef that are inconsistent with the our country's negligible risk status.

Contact: Gina Luke at 202.289.3204 or gluke@avma.org

### Antimicrobial Resistance Funding

Healthy animals make healthy food, and veterinarians are on the frontlines when it comes to keeping our nation's food supply safe. Advances in animal health care and management have improved food safety over the years and have reduced the need for antimicrobials in food production systems. Nevertheless, antimicrobials are an important part of the veterinarian's toolkit, and veterinarians agree that they should be used judiciously and in the best interest of animal health and public health.

AVMA supports federal investments to combat antimicrobial resistance. Our request for FY17 concerning antimicrobial resistance will be finalized following the release of the President's budget request.

Ahead of that, we would note that we urged FY16 funding to support USDA's array of activities investigating the relationships among microbes and livestock, the environment, and human health. Namely, we have supported APHIS **National Animal Health Monitoring System (NAHMS)** to collect, analyze, and disseminate data on animal health, management, and productivity of U.S. livestock and poultry in the U.S. We support antibiotic use data collection through NAHMS and request funding to enhance monitoring for antimicrobial resistant bacteria among livestock. In FY16 we asked for \$10 million for this activity. Protocols are in place to collect on-farm data and to provide confidentiality protections. We also support the development of metrics on antibiotic use and stewardship through collaboration between FDA, USDA, and affected commodities.

At **Agriculture and Food Research Initiative (AFRI)** and **Agricultural Research Service (ARS)** we urge funding for the development of vaccines, probiotics and prebiotics, alternatives to antimicrobials as well as new classes of antibiotics for livestock. The agency should fund grants to focus on antimicrobial resistance and to develop, refine, and disseminate science-based knowledge about animal health management and production practices that can reduce the threat of antimicrobial resistance. ARS should use funding to examine antimicrobial resistance in the relationships among microbes and livestock, the environment, and human health. Funding should be used to support research to better understand how bacteria become

resistant to antibiotics, and the persistence of antibiotic resistant bacteria in animals, the environment, and food. Research will also develop alternatives to antibiotics (including improved farm management and husbandry practices and vaccines), a database to provide a comprehensive source of accessible, microbial and resistant element sequence data for the food safety and research communities, and effective genetic strategies to reduce the need for antibiotics.

The **Food and Drug Administration (FDA)** is working to phase out the use of medically important antimicrobials for growth promotion in food-producing animals, developing a system for monitoring antimicrobial drug use in food-producing animals, evaluating new antibacterial drugs for patient treatments, and streamlining clinical trials.

### AVMA's & Coalition Partners Requests:

Each year the AVMA joins with coalition partners in support of USDA and FDA programs to advance food and agricultural research, animal health and welfare, food safety as well as antibiotic resistance. Specific requests will be determined after the President's FY17 budget proposal is released. The coalitions for which AVMA is a member include the Animal Agriculture Coalition, the Supporters of Agriculture Research, AFRI Coalition, National Coalition for Food and Agriculture Research, Friends of ARS, National Association for the Advancement of Animal Science and S-FAR (U.S. Stakeholder Forum on Antimicrobial Resistance).

Statement of Dr. Carolyn Woo

President and Chief Executive Officer, Catholic Relief Services

Testimony to the House Agriculture Appropriations Subcommittee

Point of Contact: Eric Garduno, [eric.garduno@crs.org](mailto:eric.garduno@crs.org)

Thank you Chairman Aderholt and Ranking Member Farr for receiving this testimony.

Catholic Relief Services (CRS) requests a minimum of \$1.716 billion in FY2017 appropriations for the Food for Peace program, and of this urges \$375 million be designated for non-emergency development programs. CRS also requests \$201 million for the McGovern-Dole Food for Education program, and \$80 million for the USDA Local and Regional Procurement program.

### **CRS and the U.S. Catholic Church**

CRS is the international relief and development agency of the U.S. Catholic Church. We are one of the largest implementers of U.S. funded foreign assistance. Our work reaches millions of poor and vulnerable people in over 100 countries. CRS works with people and communities based on need, without regard to race, creed, or nationality. CRS often partners with the local Catholic Church within the countries we operate in. This engenders substantial trust in us by local populations and gives us an expansive reach no other aid organization can duplicate.

### **Food for Peace – Agile, Responsive, and Impactful**

The Food for Peace (FFP) program is the flagship international food aid program of the US government. It provides funding for emergency food aid programs that assist communities in acute need and funds long-term development programs to address underlying causes of hunger, both of which CRS currently implements. FFP programs are subject to comprehensive reporting requirements and are targeted to meet specific and measurable goals. More importantly though, FFP directs resources to the most vulnerable people and communities. As such, few other US

foreign assistance resources are as important for poverty alleviation and saving lives. The following provides a brief snapshot of the work that CRS accomplishes in FFP-funded projects.

**Ethiopia – Joint Emergency Operation:** Ethiopia, a country with over 90 million people, has been particularly hard hit by the El Nino weather phenomena, leading to the most severe drought the country has faced in decades. About 80% of Ethiopia's population are subsistence farmers and 95% of farms are rain-fed. Due to El Nino, some regions have not seen rain in over a year, leading to steep declines in crop yields and hundreds of thousands of livestock deaths. Presently, over 10 million Ethiopians are in need of emergency food assistance. Further, while there are expectations that rains will return to dry areas during this year's rainy season (July-September), it is also projected that emergency conditions will persist in drought effected areas through at least September 2016.

Catholic Relief Services manages the Joint Emergency Operation (JEOP), an emergency food aid program funded by FFP. JEOP is implemented through a consortium of international and national NGOs. Its current operational service area includes 76 woredas (counties). Activities are coordinated with the Government of Ethiopia (GoE) and the World Food Program (WFP). In addition to the emergency food distributions targeting the most vulnerable, the JEOP has implemented a Behavior Change Communication strategy to improve nutrition for children, supported the formation of savings and internal lending communities (i.e., microfinance), and has trained community members to regularly provide information on food security indicators that feed into national food security warning systems.

With the onset of the El Nino-driven drought, JEOP has ramped up food distribution operations (see chart below). By December 2015, JEOP served almost 2.6 million beneficiaries throughout Ethiopia. Beneficiaries generally receive a ration of wheat or sorghum, yellow split

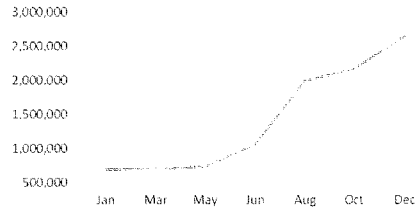


peas and vegetable oil, sourced largely from the United States. JEOP also provides Corn Soy Blend+ and vegetable oil to organizations implementing emergency supplementary feeding.

Between September 2015 and January 2016,

Food for Peace has supplied the JEOP with three separate commitments for commodities totaling over 360,000 metric tons.

JEOP Beneficiaries 2015



The JEOP has provided much needed

stability for millions of Ethiopians at a critical time. During this same period the GoE and WFP have devoted significant resources to address the country's acute food emergency needs. While the world community has come up short in answering GoE and WFP's calls for additional funding, the U.S., primarily through the JEOP, has remained steadfast in its support to Ethiopia. Despite overall resource constraints, the worst case scenario has thus far been avoided in Ethiopia, thanks in no small measure to the JEOP. Many Ethiopians are alive today thanks to this program. The JEOP presently has enough resources to continue operations through July 2016, and we expect FFP to continue to help Ethiopia get over this hurdle.

**Malawi – Wellness and Agriculture for Life Advancement:** In 2014, CRS completed Wellness and Agriculture for Life Advancement (WALA), a five-year development Food for Peace project in Malawi. As with most Food for Peace development projects, WALA took a multi-sectoral approach to food security. The project included helping farmers adopt new and better techniques and technology, connecting them to markets, addressing the nutritional needs of young children and expecting mothers, providing better access to water for agriculture and hygiene, helping communities build productive assets, and among other interventions. While

most program success indicators showed strong results, one standout area was in watershed rehabilitation and management.

Heavy rains characterize the wet season in Malawi. Communities targeted by WALA are prone to soil erosion from rushing water running off their land during these rains. In the lean season, many water sources for these communities would dry up and most small farmers could not produce enough food over the year to get them through this period. Given these circumstance, through food for work, WALA introduced a number of communities to techniques, like water absorption trenches, that slow and reduce run off and help water percolate into the soil. Check damns were constructed in areas where run-off had formed gullies. Native cover crops, grasses, and trees were introduced in key areas of farm land to help with soil retention and to improve nutrient content.

The results of these efforts have been dramatic. The water table has risen, resulting in more water availability in wells. Wells and streams that would dry up during the lean season now flow year round. Water clarity in streams has increased also. Over just one or two years, check damns have filled gullies, helping farmers reclaim farmland. With more moisture and nutrients in the soil, and more land to cultivate, agricultural yields have increased. Neighboring communities not in the WALA program noted these successes and on their own adopted the knowledge and techniques used in WALA.

These programs demonstrate huge successes – addressing the acute needs of people gripped by severe drought in Ethiopia and in making a foundation for a better life more resilient life for people in Malawi. Unfortunately, needs are expanding. The world is seeing more people being impacted by shocks like conflict and weather patterns like El Nino, and potentially La Nina later in the year. The funding requested for FFP, \$1.716 billion, will be critical for the US

to respond to the growing emergency needs around the world. Further, directing more than the minimum level of funding to FFP development programs will help more communities get ahead, so that when shocks to strike, they are better prepared to meet their own needs.

### **McGovern-Dole and USDA LRP**

McGovern-Dole Food for Education programs provide food for school lunch programs. In many cases, the lunch provided through McGovern-Dole is the only meal children receive all day. Parents who would not otherwise send their children to school are motivated to do so because they know their children will be fed. This has been especially true for girls, whose education is not traditionally encouraged in many parts of the world. Catholic Relief Services currently implements five McGovern-Dole programs. In addition to school feeding, we also use McGovern-Dole resources to strengthen teacher training and to make improvements to schools.

The USDA Local and Regional Procurement (LRP) program, made permanent by the 2014 Farm Bill, is intended to be used in conjunction with McGovern-Dole programming and we view it as critical to the sustainability of school lunch programs. Specifically, we believe these funds can be used to establish the systems needed to source food used in school lunches from local farmers. This will entail helping these farmer grow the quality and quantity needed for school lunches and organizing parent groups to manage school canteens. Ultimately, once these systems are in place, local governments can assume responsibility for these programs.

### **Improving Food Aid**

Catholic Relief Services supports improvements to food aid, including phasing monetization requirement, reducing the burden of agricultural cargo preferences on food aid, and giving implementers greater flexibility to determine how food aid resources are used. Please refer our testimony before House Agriculture Committee in September 2015 for more details.

Written Public Testimony from  
Center for Invasive Species Prevention and National Association of Invasive Plant Councils  
Submitted to the House Committee on Appropriations  
Subcommittee on Agriculture, Rural Development, Food and Drug Administration  
and Related Agencies  
15 March, 2016

The Center for Invasive Species Prevention and National Association of Invasive Plant Councils are members of the National Environmental Coalition on Invasive Species. We respectfully request your support for maintaining adequate funding for USDA Animal and Plant Health Inspection Service (APHIS) programs that help keep the nation's forests healthy by preventing introduction and spread of invasive pests: \$54 million for the "Tree and Wood Pests" line and \$156 million for the "Specialty Crops" line under the USDA APHIS Plant Health budget.

Forested landscapes cover approximately one-third of the total land area of the United States, including 136 million acres in urban environments. Every American benefits from rural and urban forests. Benefits include wood products, outdoor recreations, wildlife habitat, carbon sequestration, clean water and air, neighborhood amenities and well-being. Numerous jobs are also tied to healthy forests, especially in the forest products and recreation industries.

Invasive pests result in enormous losses when they attack trees and forests. Municipal governments across the country already spend more than \$2 billion each year to remove trees

on city property killed by non-native pests. Homeowners are spending \$1 billion to remove and replace trees on their properties and are absorbing an additional \$1.5 billion in reduced property values. As new pests are introduced and established pests spread, these costs will rise.

Funding through the “Tree and Wood Pests” budget account supports eradication and control efforts targeting wood-boring insects, which are among the most damaging of invasive species. Although 20 non-native wood-boring and bark insect species have been detected for the first time in the United States over just the past decade, over 75% of the funds in this account were allocated to just one pest in FY14, the Asian longhorned beetle. Though the Asian longhorned beetle deserves a response of this magnitude – it kills trees in 15 botanical families, especially maples and birches which constitute much of the forest reaching from Maine to Minnesota – it is clear that there is not enough funding to respond to other pests.

For instance, the polyphagous and Kuroshio shot hole borers now spreading in southern California threaten half of the trees planted in urban areas across southern California. Many of the vulnerable tree species – including willows, box elders, California sycamores – are keystone species in riparian areas. Other warm regions of the country such as the Gulf Coast are also at risk if these beetles’ spread is not curtailed because many tree species vulnerable to these beetles grow in those regions’ forests. APHIS programs address ways to fight such major infestations.

APHIS efforts also address the pathways through which such pests spread, such as the movement of firewood. For instance, while the emerald ash borer has spread to 25 states,

significant areas of natural and urban ash forests have not yet been invaded, especially in the deep South, Great Plains, and Pacific Coast, and these forests and urban forests need protection. Finally, APHIS must be prepared to respond to new introductions, which are unfortunately likely since an estimated 35 shipping containers entering the country each day carry damaging pests, especially in wood packaging.

Secondly, we ask the Subcommittee to continue providing \$156 million to the “Specialty Crops” budget account. Approximately \$5 million from this account funds APHIS’ program to stop spread of the sudden oak death pathogen through trade in nursery plants. Sudden oak death is established in 15 coastal California counties, from Monterey north to Humboldt, as well as in Curry County, Oregon. It has killed over one million tanoaks as well as hundreds of thousands of coast live oaks and other trees. Sudden oak death attacks a wide range of trees and shrubs native to eastern forests, including northern red, chestnut, white, and pin oaks; sugar maple; black walnut; mountain laurel; rhododendrons; and viburnum. The disease has been detected across the country: in eight nurseries in Maine, New York, Texas, and Virginia, in private gardens in Connecticut and Massachusetts, at a commercial business site in Louisiana, and in streams or ponds in Alabama, Florida, Mississippi, and North Carolina. Scientist do not yet know on what plants these water-associated infestations are living. Clearly, APHIS must continue to work with states in the east and south to detect and eradicate these and any new outbreaks in either commercial nurseries or other settings.

Since 1975, U.S. imports have risen six times faster than APHIS staff capability to conduct inspections of those imports. In just three years, from 2009 to 2012, more than 90 new

plant pests were detected in the United States. We look forward to working with the Subcommittee to further the goal of funding strong pest-prevention and control programs, including preparation of risk assessments, prompt adoption of regulations that effectively clean up pathways of introduction, and increasing capability to detect introductions quickly and respond to them before they become widespread and difficult to control. Effective response, in turn, depends upon capacity to develop and test exclusion, detection, and pest-management methods. All of these depend on an adequate budget.

We greatly appreciate the opportunity to share testimony as the subcommittee prepares a Fiscal Year 2016 Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations bill.

For further information, please contact Faith Campbell, Senior Policy, Center for Invasive Species Prevention, at [phytodoer@aol.com](mailto:phytodoer@aol.com) .

United States House of Representatives Committee on Appropriations  
Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related  
Agencies

Comments on Fiscal Year 2017 Appropriations

March 15, 2016

Written Comments Submitted by:  
Matthew Shudtz  
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A national network of advocates including Oxfam America, the National Employment Law Project, and Nebraska Appleseed have called your attention to the dangerous conditions that workers face in poultry slaughter facilities, owing to the speed with which young chickens and turkeys are processed. The stories presented in their testimonies and comments, along with the data they have provided, should be enough to warrant rejection of any proposal to allow line speeds to increase at those facilities through the appropriations process as it relates to the Food Safety Inspection Service's New Poultry Inspection System.

These comments approach the issue from a slightly different perspective, but arrive at the same conclusion: using the appropriations process to increase line speeds at poultry slaughter facilities violates principles of good government and will cause lasting damage to workers, their families, and their communities.

On both sides of the aisle, Members of Congress for years have derided the use of "earmarks" to direct government spending toward favored projects and policies. As explained below, such derision should apply with greater force to the abuse of the appropriations process to direct spending *away* from projects and policies that are opposed by a determined minority of members of Congress. Such actions upend the normal legislative process and entrench a system of policymaking that undermines core principles of representative democracy. Last summer, the Center for Progressive Reform published a [report](#) on the misuse of appropriations riders to direct agency policymaking. The report's length precludes inclusion in these comments, per the committee's rules, but its key findings are worth noting here:



- *Prohibiting agencies from taking actions disfavored by the rider's sponsors is legislating by extortion*

Appropriations bills offer ideal vehicles for the use of extortionate riders, because they must be enacted on an ongoing and periodic basis or else the government will cease functioning. As the deadline for completing appropriations bills approaches, the leverage that proponents of particular riders wield to coerce acquiescence in their demands grows greater. With the threat of government shutdown looming, other legislators will feel increasingly compelled to vote in favor of the bill even though they are opposed to a particular rider and would not support it as a stand-alone measure. Similarly, the president may find it difficult to veto an appropriations bill simply because of the antiregulatory riders it contains.

- *Negative riders enable secret sabotage of popular safeguards*

In contrast to the procedures that govern traditional authorizing legislation, a distinct lack of transparency and accountability marks the appropriations process. In particular, the process of adding riders to appropriations bills is clouded in secrecy, which can make it nearly impossible for the public to hold legislators accountable for sponsoring especially controversial proposals. Because antiregulatory riders are often buried in appropriations bills that run hundreds of pages in length, it is easy for them to slip past the scrutiny of concerned citizens and lawmakers. These bills thus offer the proponents of antiregulatory riders an ideal opportunity to conceal their attacks on popular protections.

The caps on poultry slaughter line speeds, for instance, were a major point of contention when the Department of Agriculture's Food Safety Inspection Service (FSIS) developed the New Poultry Inspection System. The rulemaking process that FSIS followed, rooted in the Administrative Procedure Act, ensured that the final safeguards reflected the views of stakeholders ranging from workers to experts from the Department of Labor's Occupational Safety and Health Administration. No such process for engaging experts, much less the workers who would be affected by a line-speed increase, is in place here.

- *Riders lobotomize the deliberative process that should govern lawmaking*

The use of antiregulatory riders also enables lawmakers to engage in a powerful form of substantive policymaking but without the due deliberation that normally accompanies the enactment of authorizing legislation. Broadly speaking, Congress divides the labor of preparing bills for full consideration between the authorization committees—which are responsible for considering substantive legislation creating, modifying, or eliminating federal programs—and the budget and appropriations committees—which are responsible

for funding authorized programs. The institutional design and processes of authorization committees renders them far more suitable to engage in substantive policymaking. Antiregulatory riders generally do not receive anywhere near the same level of deliberative consideration from appropriations committees that usually takes place in authorization committees for the provisions of substantive legislation.

- *Antiregulatory riders encourage pandering to corporate interests*

Because they are adopted with little transparency or deliberation, antiregulatory riders are uniquely well designed to provide individual lawmakers with the ability to confer benefits on favored special interests. Much like traditional earmarks, which Congress has effectively banned, antiregulatory riders are thus highly susceptible to abuse by Members of Congress looking for an easy way to curry favor with politically powerful businesses or industries.

Thank you for the opportunity to provide these comments.

**Testimony of  
Theodore C. Cooke  
General Manager  
Central Arizona Project**

**House Appropriations Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies**

**Support for \$15.2 million in Fiscal Year 2017 Funding for the Colorado River Basin  
Salinity Control Program under USDA's Environmental Quality Incentives Program  
March 14, 2016**

On behalf of the Central Arizona Water Conservation District (CAWCD), I am writing to ask that you include at least \$15.2 million from the U.S. Department of Agriculture's Environmental Quality Incentive Program Financial Assistance (EQIP FA) for the Colorado River Basin Salinity Control Program in the Fiscal Year 2017 Appropriation bill. Funding for the salinity control program will help protect the water quality of the Colorado River that is used by approximately 40 million people for municipal and industrial purposes and used to irrigate approximately 5.5 million acres in the United States.

CAWCD manages the Central Arizona Project (CAP), a multi-purpose water resource development and management project that delivers Colorado River water into central and southern Arizona. The largest supplier of renewable water in Arizona, CAP delivers an average of more than 1.5 million acre-feet of Arizona's 2.8 million acre-foot Colorado River entitlement each year to municipal and industrial users, agricultural irrigation districts, and Indian communities.

Our goal at CAP is to provide an affordable, reliable and sustainable supply of Colorado River water to a service area that includes more than 80 percent of Arizona's population.

These renewable water supplies are critical to Arizona's economy and to the economies of Native American communities throughout the state. Nearly 90% of economic activity in the State of Arizona occurs within CAP's service area. The canal provides an economic benefit of \$100 million annually, accounting for one-third of the entire Arizona gross state product. CAP also helps the State of Arizona meet its water management and regulatory objectives of reducing groundwater use and ensuring availability of groundwater as a supplemental water supply during future droughts. Achieving and maintaining these water management objectives is critical to the long-term sustainability of a state as arid as Arizona.

**Negative Impacts of Concentrated Salts**

Natural and man-induced salt loading to the Colorado River creates environmental and economic damages. EPA has identified that more than 60 percent of the salt load of the Colorado River comes from natural sources. With the significant federal ownership in the Basin, most of this comes from federally administered lands. Human activity, principally irrigation, adds to the salt load of the Colorado River. Further, natural and human activities concentrate the dissolved salts in the River.

The U.S. Bureau of Reclamation (Reclamation) has estimated damages at about \$382 million per year. Modeling by Reclamation indicates that damages will rise to approximately \$614 million per year by the year 2035 without continuation of the Program. These damages include:

- A reduction in the yield of salt sensitive crops and increased water use to meet the leaching requirements in the agricultural sector;
- Increased use of imported water and cost of desalination and brine disposal for recycling water in the municipal sector;
- An increase in the use of water and the cost of water treatment, and an increase in sewer fees in the industrial sector;
- An increase in the cost of cooling operations and the cost of water softening, and a decrease in equipment service life in the commercial sector;
- A reduction in the useful life of galvanized water pipe systems, water heaters, faucets, garbage disposals, clothes washers, and dishwashers, and increased use of bottled water and water softeners in the household sector;
- A decrease in the life of treatment facilities and pipelines in the utility sector, and
- Difficulty in meeting wastewater discharge requirements to comply with National Pollutant Discharge Elimination System permit terms and conditions, and an increase in desalination and brine disposal costs due to accumulation of salts in groundwater basins.

Funding for salinity control will prevent the water quality of the Colorado River from further degradation and significant increases in economic damages to municipal, industrial and irrigation users.

### **History of the USDA's Colorado River Basin Salinity Control Program**

Recognizing the rapidly increasing salinity concentration in the Lower Colorado River and its impact on water users, Arizona joined with the other Colorado River Basin States in 1973 and organized the Colorado River Basin Salinity Control Forum (Forum). In 1974, the Forum worked with Congress in the passage of the Colorado River Basin Salinity Control Act (Act) to offset increased damages caused by continued development and use of the waters of the Colorado River.

In implementing the Act, Congress directed that the Colorado River Basin Salinity Control Program should be implemented in the most cost-effective way. The Program at the United States Department of Agriculture is currently funded under the Environmental Quality Incentives Program (EQIP) of the Natural Resources Conservation Service (NRCS) and under Reclamation's Basinwide Program.

Congress authorized a salinity control program (Program) for the United States Department of Agriculture (USDA) through an amendment of the Act in 1984. With the enactment of the

Federal Agriculture Improvement and Reform Act of 1996 (FAIRA), Congress directed that the Program should continue to be implemented as part of the newly created EQIP. Since the enactment of the Farm Security and Rural Investment Act (FSRIA) in 2002, there have been, for the first time in a number of years, opportunities to adequately fund the Program within EQIP.

In 2008, Congress passed the Food, Conservation and Energy Act (FCEA). The FCEA addressed the cost sharing required from the Basin Funds. In so doing, the FCEA named the cost sharing requirement as the Basin States Program (BSP). The BSP will provide 30 percent of the total amount that will be spent each year by the combined EQIP and BSP effort. With the passage of the Agricultural Act of 2014 the authorities for USDA to implement salinity control activities in the Colorado River Basin were continued.

The Program, as set forth in the Act, is to benefit Lower Basin water users hundreds of miles downstream from the sources of salinity in the Upper Basin. The salinity of Colorado River waters increases from about 50 mg/L at its headwaters to more than 700 mg/L in the Lower Basin. There are very significant economic damages caused downstream by high salt levels in the water. EQIP is used to improve upstream irrigation efficiencies which in turn reduce leaching of salts to the Colorado River. There are also local benefits in the Upper Colorado River Basin from the Program in the form of soil and environmental benefits, improved agricultural production, improved water efficiencies, lower fertilizer and labor costs, and water distribution and infrastructure improvements. The mix of funding under EQIP, cost sharing from the Basin States and efforts, and cost sharing brought forward by local producers have created a most remarkable and successful partnership.

The threat of salinity continues to be a concern in both the United States and Mexico. In 2012, a five-year agreement, known as Minute 319, was signed between the U.S. and Mexico to guide future management of the Colorado River. Among the key issues addressed in Minute 319 included an agreement to maintain salinity standards. The CAWCD and other key water providers are committed to meeting these goals.

## **Conclusion**

Implementation of salinity control practices through EQIP has proven to be a very cost-effective method of controlling the salinity of the Colorado River. CAWCD urges the subcommittee to include at least \$15.2 million from the USDA's Environmental Quality Incentive Program Financial Assistance for the Colorado River Basin Salinity Control Program in the Fiscal Year 2017 Appropriation bill. Additionally, there is needed sufficient Technical Assistance dollars to adequately implement the program. Continuation of EQIP at the requested funding level will prevent the further degradation of water quality of the Colorado River, and significantly increased damages from the higher salt concentrations to municipal, industrial and irrigation users.

March 1, 2016

Peter J. Marx

Federal Affairs

Choose Clean Water Coalition



Dear Chairman Aderholt and Ranking Member Farr:

The undersigned members of the Choose Clean Water Coalition request continued support for clean water in the Chesapeake Bay watershed through the Agricultural Act of 2014 (2014 Farm Bill) conservation programs. There are 87,000 farms in the six-state Chesapeake region; those that are well run protect their water resources and add much to our landscape, environment and economy. We want to ensure that these responsible farms and farmers remain economically viable. Stopping cuts to these conservation programs is critical to maintain and restore clean water to the rivers and streams throughout the Chesapeake Bay region, and for the Bay itself. These programs are essential for regulated agricultural operations to meet federal regulations under the Clean Water Act and help farmers meet state regulations that address both farm health and water quality. The President's FY2017 Budget proposes full funding for mandatory conservation programs that are critical to maintaining a fully funded RCPP. In particular, we urge you to fund the Environmental Quality Incentives Program at \$1.65 billion to help willing producers implement conservation practices on their farms.

We urge you to maintain full funding for mandatory agricultural conservation programs in Fiscal Year 2017. The 2014 Farm Bill set us on a new path toward clean water in our region, but only if key conservation programs are funded as Congress intended. With the support of much of the conservation

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community and clean water advocates, the 2014 Farm Bill eliminated nearly a dozen conservation programs (including the Chesapeake Bay Watershed Initiative) and reduced mandatory funding overall to save American taxpayers approximately \$6 billion.

Two-thirds of the 18 million people in the Chesapeake region get their drinking water directly from the rivers and streams that flow through the cities, towns and farms throughout our six state, 64,000 square mile watershed. The quality of this water is critical to both human health and to the regional economy. Much of the work and funding necessary to achieve and maintain clean and healthy water in this region would be accomplished through the Farm Bill's new Regional Conservation Partnership Program (RCPP).

In May 2014, the Chesapeake Bay Watershed was designated as one of eight Critical Conservation Areas under the new RCPP. For the first three years of RCPP funding, the Chesapeake received \$27.6 million, with a few million more going to other projects partially in the Chesapeake Bay watershed. This is a precipitous drop from the Chesapeake Bay Watershed Initiative where our region's producers received \$47.6 million annually for conservation practices. This is a huge shortfall for conservation in our region and any further cuts to the RCPP will exacerbate this funding drop off. We urge you to maintain the 2014 Farm Bill's negotiated mandatory funding levels for all conservation programs, including the RCPP.

In order to follow a common sense path to maintain economically viable well run farms and to have healthy local water and a restored Chesapeake Bay, which is critical for our regional economy, we request full funding for all conservation programs in the Farm Bill for Fiscal Year 2017.

Thank you for your consideration on this very important request to maintain funding for these programs

which are critical to both our agricultural community and for clean water throughout the mid-Atlantic region. Please contact Peter J. Marx at 410-905-2515 or [peter@choosecleanwater.org](mailto:peter@choosecleanwater.org) with any questions or concerns.

Sincerely,

American Rivers  
 Anacostia Watershed Society  
 Audubon Naturalist Society  
 Blue Heron Environmental Network Inc.  
 Blue Ridge Watershed Coalition  
 Blue Water Baltimore  
 Cecil Land Use Association  
 Chapman Forest Foundation  
 Chesapeake Bay Foundation  
 Chesapeake Wildlife Heritage  
 Citizens for Pennsylvania's Future  
 Clean Water Action  
 Coalition for Smarter Growth  
 Conservation Pennsylvania  
 Conservation Voters of Pennsylvania  
 Delaware Nature Society  
 Earth Forum of Howard County  
 Eastern Pennsylvania Coalition for Abandoned Mine Reclamation  
 Environment America  
 Environment Maryland  
 Environment Virginia  
 Friends of Accotink Creek  
 Friends of Dyke Marsh  
 Friends of the North Fork of the Shenandoah River  
 Green Muslims  
 Interfaith Partners for the Chesapeake  
 Izaak Walton League of America  
 James River Association  
 Lackawanna River Conservation Association  
 Lynnhaven River NOW  
 Maryland Conservation Council  
 Maryland League of Conservation Voters  
 Mattawoman Watershed Society  
 Mehoopany Creek Watershed Association  
 National Aquarium



National Parks Conservation Association  
 National Wildlife Federation  
 Natural Resources Defense Council  
 Nature Abounds  
 Otsego County Conservation Association  
 Otsego Land Trust  
 PennEnvironment  
 Pennsylvania Council of Churches  
 Piedmont Environmental Council  
 Potomac Conservancy  
 Potomac Riverkeeper  
 Potomac Riverkeeper Network  
 Rivanna Conservation Society  
 Rock Creek Conservancy  
 Sassafra River Association  
 Savage River Watershed Association  
 Shenandoah Riverkeeper  
 Shenandoah Valley Network  
 Sidney Center Improvement Group  
 Sierra Club – Maryland  
 Sierra Club – Pennsylvania  
 Sierra Club – Virginia  
 Sleepy Creek Watershed Association  
 South River Federation  
 St. Mary's River Watershed  
 Stewards of the Lower Susquehanna  
 Trout Unlimited  
 Upper Potomac Riverkeeper  
 Upper Susquehanna Coalition  
 Virginia Conservation Network  
 Virginia League of Conservation Voters  
 Water Defense  
 West & Rhode Riverkeeper  
 West Virginia Rivers Coalition

Written Public Testimony from Members of the Coalition Against Forest Pests  
provided by Faith T. Campbell, Vice President, Center for Invasive Species Prevention

signatories:

AmericanHort, California Forest Pest Council, Center for Invasive Species Prevention,  
The Hardwood Federation, National Association of State Foresters,  
National Woodland Owners Association, The Nature Conservancy,  
Pennsylvania Department of Conservation and Natural Resources, Bureau of Forestry,  
Society of American Florists, Society of American Foresters, Vermont Woodlands Association

Submitted to the House Committee on Appropriations  
Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related  
Agencies

Agency: USDA Animal and Plant Health Inspection Service

14 March, 2016

The Coalition Against Forest Pests consists of non-profit organizations, for-profit entities, landowners, state agency associations and academic scholars who have joined together to improve our nation's efforts to address forest health threats. We write to ask your support for adequate funding of programs managed by the USDA Animal and Plant Health Inspection Service (APHIS) that help keep the nation's forests healthy by preventing introduction and spread of invasive pests. **Specifically, we ask the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies to maintain in Fiscal Year (FY) 2017 the current (FY2016) funding levels for two "lines" under the USDA**

**APHIS Plant Health program: \$54 million for the “Tree and Wood Pests” line and \$156 million for the “Specialty Crops” line.**

Forested landscapes cover approximately one-third of the total land area of the United States, including 136 million acres in urban environments. Every American realizes benefits from rural and urban forests. These benefits include wood products, wildlife habitat, carbon sequestration, clean water and air, and aesthetic enjoyment. Numerous jobs are also tied to healthy forests, including in the forest products and recreation industries.

When non-native insects and diseases attack trees and forests, enormous losses arise. Most of the quantified costs are in cities and suburbs; across the country each year, municipal governments spend more than \$2 billion to remove trees on city property that are killed by non-native pests. Homeowners spend \$1 billion every year to remove and replace trees on their properties and absorb an additional \$1.5 billion in reduced property values. As new pests are introduced and established pests spread, these costs will only continue to rise. Moreover, since 1975, U.S. imports (excluding petroleum products) have risen almost six times faster than APHIS staff capability to conduct inspections of those imports. In just three years, from 2009 to 2012, more than 90 new plant pests have been detected in the United States.

Funding through the “Tree and Wood Pests” budget account supports eradication and control efforts targeting the Asian longhorned beetle and other wood-boring insects. Maintaining the current funding level for this program is crucially important because woodborers are among the most damaging of invasive species; moreover, new species continue to enter the country. Twenty non-native wood-boring and bark insect species have been detected for the first time in the United States over just the past decade. Additional

introductions in coming years are likely as an estimated 35 shipping containers entering the country each day carry damaging pests.

APHIS has allocated 77% of funds in the “Tree and Wood Pests” account to eradication of the Asian longhorned beetle. The Asian longhorned beetle certainly deserves priority; the beetle kills trees in 15 botanical families – especially maples and birches, which constitute much of the hardwood forest reaching from Maine to Minnesota, as well as urban trees worth an estimated \$600 billion. Furthermore, adequately funded eradication efforts have proven to be a successful tactic.

If the cut in funding for the “Tree and Wood Pests” account proposed by the President’s budget is accepted and Asian longhorned beetle funding remains level, the proportion allocated to this one pest would rise to 90%. However, APHIS must have sufficient resources to protect the country from other wood-boring insects. We point specifically to the polyphagous and Kuroshio shot hole borers now spreading in southern California. These two beetle species threaten over 300 plant species, including trees that make up the majority of trees in riparian areas and half of the trees planted in urban areas across southern California. Other warm regions of the country such as the Gulf Coast are also at risk if the shot hole borers’ spread is not curtailed because many tree species vulnerable to these beetles grow in forests of those regions.

APHIS also needs to continue efforts to slow the spread of and reduce impacts on forests from another pest causing significant damage, the emerald ash borer, including by continuing to support programs aimed at curtailing movement of firewood. While the emerald ash borer has spread to 25 states, significant areas of natural and urban ash forests remain uninvaded, especially in the deep South, Great Plains, and Pacific Coast.

We also ask the Subcommittee to continue to fund the “Specialty Crops” line at \$156 million. Approximately \$5 million from this account funds APHIS’ work to stop the spread of the sudden oak death pathogen (*Phytophthora ramorum*) via trade in nursery plants. *P. ramorum* is established in 15 coastal California counties, from Monterey north to Humboldt, as well as in Curry County, Oregon. In that region, it has killed more than five million oaks and tanoaks. *P. ramorum* also attacks a wide range of tree and shrub species native to eastern forests, including northern red, chestnut, white, and pin oaks; sugar maple; black walnut; mountain laurel; rhododendrons; and viburnum. This pathogen has continued to be detected in both nurseries and landscape settings in several Eastern states. State agencies and the nursery trade are testing a new approach to preventing movement of plant pests, including *P. ramorum*, via the nursery trade. It is crucial that APHIS continue to work with states and the industry to detect and eradicate pest outbreaks in nurseries, landscapes, and other settings.

We appreciate the opportunity to share this testimony, and we look forward to continuing to work with the Subcommittee to further the goal of ensuring adequate funding in the FY 2017 Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations bill for critical pest-prevention and control programs.

For further information, please contact Faith Campbell, Vice President, Center for Invasive Species Prevention, at [phytodoer@aol.com](mailto:phytodoer@aol.com) .



## GOVERNORS

Doug Ducey, AZ  
 Jerry Brown, CA  
 John Hickenlooper, CO  
 Brian Sandoval, NV  
 Susana Martinez, NM  
 Gary R. Herbert, UT  
 Matthew H. Mead, WY

## FORUM MEMBERS

**Arizona**  
 Thomas Buschatzke  
 Marie Pearthree  
 Linda Taunt

**California**  
 Bill Hasencamp  
 Thomas Howard  
 Tanya Trujillo

**Colorado**  
 James Eklund  
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**Nevada**  
 Leo M. Drozdoff  
 John J. Entsminger  
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**New Mexico**  
 Tom Blaine  
 Travis Kliphuis

**Utah**  
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 Patrick T. Tyrrell  
 David Waterstreet

## EXECUTIVE DIRECTOR

Don A. Barnett

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**OUTSIDE WITNESS TESTIMONY  
 FY 2017 APPROPRIATION**

**TO:**           **The Honorable Robert Aderholt, Chairman  
 The Honorable Sam Farr, Ranking Member  
 House Committee on Appropriations – Subcommittee on  
 Agriculture, Rural Development, Food and Drug  
 Administration, and Related Agencies**

**SUBJECT:**   **Continued Funding for the Colorado River Basin Salinity  
 Control Program under USDA's Environmental Quality  
 Incentives Program (EQIP)**

**FROM:**       **Don A. Barnett, Executive Director  
 Colorado River Basin Salinity Control Forum**

**DATE:**       **March 10, 2016**

---

Waters from the Colorado River are used by approximately 40 million people for municipal and industrial purposes and used to irrigate approximately 5.5 million acres in the United States. Natural and man-induced salt loading to the Colorado River creates environmental and economic damages. The U.S. Bureau of Reclamation (Reclamation) has estimated the currently *quantifiable* damages at about \$382 million per year. Modeling by Reclamation indicates that the *quantifiable* damages will rise to approximately \$614 million per year by the year 2035 without continuation of the Program. Congress authorized the Colorado River Basin Salinity Control Program (Program) in 1974 to offset increased damages caused by continued development and use of the waters of the Colorado River. The USDA portion

of the Program, as authorized by Congress and funded and administered by the Natural Resources Conservation Service (**NRCS**) under the Environmental Quality Incentives Program (**EQIP**), is an essential part of the overall effort. A funding level of **\$15.2M** in EQIP FA in 2017 is in keeping with the Program's Plan of Implementation and is required to prevent further degradation of the quality of the Colorado River and increases in downstream economic damages.

In enacting the Colorado River Basin Salinity Control Act in 1974, Congress directed that the Colorado River Basin Salinity Control Program should be implemented in the most cost-effective way. The Program is currently funded under EQIP through NRCS and under Reclamation's Basinwide Program. The Act requires that the basin states cost share 30 percent of the overall effort. Historically, recognizing that agricultural on-farm improvements were some of the most cost-effective strategies, Congress authorized a program for the United States Department of Agriculture (USDA) through amendment of the Act in 1984. With the enactment of the Federal Agriculture Improvement and Reform Act of 1996 (FAIRA), Congress directed that the Program should continue to be implemented as part of the newly created Environmental Quality Incentives Program. Since the enactment of the Farm Security and Rural Investment Act (FSRIA) in 2002, there have been, for the first time in a number of years, opportunities to adequately fund the Program within EQIP. In 2008, Congress passed the Food, Conservation and Energy Act (FCEA). The FCEA addressed the cost sharing required from the Basin Funds. In so doing, the FCEA named the cost sharing requirement as the Basin States Program (BSP). The BSP will provide 30 percent of the total amount that will be spent each year by the combined EQIP and BSP effort. With the passage of the Agricultural Act of 2014 the authorities for USDA to implement salinity control activities in the Colorado River Basin were continued.

The Program, as set forth in the Act, is to benefit Lower Basin water users hundreds of miles downstream from the sources of salinity in the Upper Basin. The salinity of Colorado River waters increases from about 50 mg/L at its headwaters to more than 700 mg/L in the Lower Basin. There are very significant economic damages caused downstream by high salt levels in the water. EQIP is used to improve upstream irrigation efficiencies which in turn reduce leaching of salts to the Colorado River. There are also local benefits in the Upper Colorado River Basin from the Program in the form of soil and environmental benefits, improved agricultural production, improved water efficiencies, lower fertilizer and labor costs, and water distribution and infrastructure improvements. Local producers submit cost-effective applications under EQIP in Colorado, Utah and Wyoming and offer to cost share in the acquisition of new irrigation equipment. The mix of funding under EQIP, cost share from the Basin States and efforts and cost share brought forward by local producers has created a most remarkable and successful partnership.

After longstanding urgings from the states and directives from Congress, NRCS has recognized that this Program is different than small watershed enhancement efforts common to EQIP. In the case of the Colorado River salinity control effort, the watershed to be considered stretches more than 1,400 miles from the Colorado River's headwaters in the Rocky Mountains to the Colorado River's terminus in the Gulf of California in Mexico. Each year the NRCS State Conservationists for Colorado, Utah and Wyoming prepare a three-year funding plan for the salinity efforts under EQIP. The Forum supports this funding plan which recognizes the need for \$15.2M in EQIP FA allocations in FY 2017. Additionally, there is needed sufficient TA dollars to adequately implement the program. State and local cost-sharing is triggered by the federal



appropriation. The Forum appreciates the efforts of NRCS leadership and the support of this Subcommittee in implementing the Program.

The Forum is composed of gubernatorial appointees from Arizona, California, Colorado, Nevada, New Mexico, Utah and Wyoming. The Forum is charged with reviewing the Colorado River's water quality standards every three years. In so doing, it adopts a Plan of Implementation consistent with these standards. The level of appropriation requested in this testimony is in keeping with the adopted Plan of Implementation. If adequate funds are not appropriated, significant damages from the higher salinity concentrations in the water will be more widespread in the United States and Mexico.

Concentration of salt in the Colorado River causes approximately \$382 million annually in quantified damages and significantly more in unquantified damages in the United States and results in poor water quality for United States users. Damages occur from:

- a reduction in the yield of salt sensitive crops and increased water use to meet the leaching requirements in the agricultural sector,
- increased use of imported water and cost of desalination and brine disposal for recycling water in the municipal sector.
- a reduction in the useful life of galvanized water pipe systems, water heaters, faucets, garbage disposals, clothes washers, and dishwashers, and increased use of bottled water and water softeners in the household sector,
- an increase in the cost of cooling operations and the cost of water softening, and a decrease in equipment service life in the commercial sector,
- an increase in the use of water and the cost of water treatment, and an increase in sewer fees in the industrial sector,

- a decrease in the life of treatment facilities and pipelines in the utility sector, and
- difficulty in meeting wastewater discharge requirements to comply with National Pollutant Discharge Elimination System permit terms and conditions, and an increase in desalination and brine disposal costs due to accumulation of salts in groundwater basins.

Over the years, NRCS personnel have developed a great working relationship with farmers within the Colorado River Basin. Maintaining salinity control achieved by implementation of past practices requires continuing education and technical assistance from NRCS personnel. Additionally, technical assistance is required for planning and design of future projects. Lastly, the continued funding for the monitoring and evaluation of existing projects is essential to maintaining the salinity reduction already achieved.

In summary, implementation of salinity control practices through EQIP has proven to be a very cost effective method of controlling the salinity of the Colorado River and is an essential component to the overall Colorado River Basin Salinity Control Program. Continuation of EQIP with adequate funding levels will prevent the water quality of the Colorado River from further degradation and significantly increased economic damages to municipal, industrial and irrigation users.



**OUTSIDE WITNESS TESTIMONY  
FY 2017 APPROPRIATION**

**TO:**           **The Honorable Robert Aderholt, Chairman**  
                   **The Honorable Sam Farr, Ranking Member**  
                   **House Committee on Appropriations – Subcommittee on Agriculture, Rural**  
                   **Development, Food and Drug Administration, and Related Agencies**

**SUBJECT:**   **Continued Funding for the Colorado River Basin Salinity Control Program**  
                   **under USDA's Environmental Quality Incentives Program (EQIP)**

**FROM:**       **Tanya Trujillo, Executive Director**  
                   **Colorado River Board of California**

**DATE:**       **March 14, 2016**

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This testimony is in support of Fiscal Year (FY) 2017 funding for the Department of Agriculture (USDA) associated with the activity that assists Title II of the Colorado River Basin Salinity Control Act of 1974 (P.L. 93-320). This long-standing and cost-effective salinity control program in the Colorado River Basin is being carried out pursuant to the Colorado River Basin Salinity Control Act and the Clean Water Act (P.L. 92-500). Congress authorized the Colorado River Basin Salinity Control Program (Program) in 1974 to offset increased damages caused by continued development and use of the waters of the Colorado River. The USDA portion of the Program, as authorized by Congress and funded and administered by the **Natural Resources Conservation Service (NRCS)** under the **Environmental Quality Incentives Program (EQIP)**, is an essential part of the overall effort. A funding level of **\$15.2 million** in EQIP Financial Assistance (FA) annually is required to prevent further degradation of the quality of the Colorado River and increased downstream economic damages.

The Colorado River Board of California (Colorado River Board) is the state agency

March 14, 2016

Page 2 of 4

charged with protecting California's interests and rights in the water and power resources of the Colorado River system. In this capacity, California participates along with the other six Colorado River Basin states in the Colorado River Basin Salinity Control Forum (Forum), the interstate organization responsible for coordinating the Basin States' salinity control efforts. In close cooperation with the U. S. Environmental Protection Agency (EPA) and pursuant to requirements of the Clean Water Act, the Forum is charged with reviewing the Colorado River's water quality standards every three years. The Forum adopts a Plan of Implementation consistent with these water quality standards. The level of appropriation being supported in this testimony is consistent with the Forum's *2014 Plan of Implementation*. The Forum's *2014 Plan of Implementation* can be found on this website: <http://coloradoriversalinity.org/docs/2014%20Final%20REVIEW%20-%20complete.pdf>. If adequate funds are not appropriated, significant damages associated with increasing salinity concentrations of Colorado River water will become more widespread in the United States and Mexico.

The Program benefits both the Upper Basin water users through more efficient water management and the Lower Basin water users through reduced salinity concentration of Colorado River water. The salinity of Colorado River waters increases from about 50 mg/L at its headwaters to more than 700 mg/L in the Lower Basin. There are very significant economic damages caused downstream by high salt levels in the water. There are also local benefits in the Upper Colorado River Basin from the Program in the form of soil and environmental benefits, improved agricultural production, improved water efficiencies, lower fertilizer and labor costs, and water distribution and infrastructure improvements. Local producers submit cost-effective

March 14, 2016

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applications under EQIP in Colorado, Utah and Wyoming and offer to cost share in the acquisition of new irrigation equipment. The mix of funding under EQIP, cost share from the Basin States and efforts and cost share brought forward by local producers has created a most remarkable and successful partnership.

After longstanding urgings from the states and directives from Congress, NRCS recognized that this Program is different than small watershed enhancement efforts common to EQIP. In the case of the Colorado River salinity control effort, the watershed to be considered stretches more than 1,400 miles from the Colorado River's headwater in the Rocky Mountains to the Colorado River's terminus in the Gulf of California in Mexico. Each year the NRCS State Conservationists for Colorado, Utah and Wyoming prepare a three-year funding plan for the salinity efforts under EQIP. The Colorado River Board supports this funding plan which recognizes the need for \$15.2M in EQIP FA allocations in FY 2017. Additionally, there is needed sufficient Technical Assistance dollars to adequately implement the program.

Over the thirty-two years since the passage of the Colorado River Basin Salinity Control Act, much has been learned about the impact of salts in the Colorado River system. Currently, the salinity concentration of Colorado River water causes about \$382 million in quantifiable damages in the United States annually. Economic and hydrologic modeling by Reclamation indicates that the quantifiable damages could rise to more than \$614 million by the year 2035 without the continuation of the Salinity Control Program. For example, damages can be incurred related to the following activities:

- a reduction in the yield of salt sensitive crops and increased water use to meet the leaching requirements in the agricultural sector,

March 14, 2016

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- increased in the amount of imported water,
- an increased cost of desalination and brine disposal for recycling water in the municipal sector,
- a reduction in the useful life of galvanized water pipe systems, water heaters, faucets, garbage disposals, clothes washers, and dishwashers, and increased use of bottled water and water softeners in the household sector,
- an increase in the cost of cooling operations and the cost of water softening, and a decrease in equipment service life in the commercial sector,
- an increase in the use of water and the cost of water treatment, and an increase in sewer fees in the industrial sector,
- a decrease in the life of treatment facilities and pipelines in the utility sector,
- difficulty in meeting wastewater discharge requirements to comply with National Pollutant Discharge Elimination System permit terms and conditions, and
- an increase in desalination and brine disposal costs due to accumulation of salts in groundwater basins.

The Colorado River is, and will continue to be, a major and vital water resource to the nearly 20 million residents of southern California, including municipal, industrial, and agricultural water users in Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura Counties. The protection and improvement of Colorado River water quality through an effective salinity control program will avoid the additional economic damages to users in California and the other states that rely on Colorado River water resources.

**American Rivers • National Audubon Society • The Nature Conservancy  
Theodore Roosevelt Conservation Partnership • Trout Unlimited**

March 7, 2016

Representative Robert Aderholt  
Chairman  
Agriculture Subcommittee  
U.S. House Committee on Appropriations  
Washington, D.C. 20515

Representative Sam Farr  
Ranking Member  
Agriculture Subcommittee  
U.S. House Committee on Appropriations  
Washington, D.C. 20515

Dear Chairman Aderholt and Ranking Member Farr,

On behalf of our organizations' millions of members and supporters, we urge you to oppose any cuts in your Fiscal Year 2017 (FY17) appropriations bill to the mandatory funding for Farm Bill conservation programs, which are vital for securing water resources in areas impacted by drought and a projected increasing water supply imbalance, including the Colorado River Basin and regions across the West.

The health of the Colorado River Basin is critical for driving the economy and sustaining wildlife habitat across seven states in the West, and its impact is felt across the nation. The Colorado River and its tributaries generate \$1.4 trillion in economic benefits to the regional economy each year, provide drinking water for 36 million people, irrigate 15% of the nation's crops, including much of the nation's winter vegetables, sustain a \$26 billion recreation economy, and are the lifeblood for wildlife habitat across the basin. More than fifteen years of historic drought, however, and the projected growing imbalance between the supply and demand for water in the Colorado River Basin have put this essential resource for the nation at risk.

The suite of conservation programs under the Farm Bill represents the most significant source of federal funding for building effective partnerships, supporting innovative conservation solutions, and conserving working lands and rivers in the Colorado River Basin. In the Agricultural Act of 2014, Congress consolidated or eliminated nearly a dozen conservation programs and reduced mandatory spending by \$6 billion – savings that are not dependent on high or low commodity prices. The cuts contained in the 2014 Farm Bill mean that new enrollments in conservation programs will decline by millions of acres in FY16.

We are pleased that the administration's budget request did not propose any new cuts to programs in the Conservation Title of the Farm Bill for the FY17 budget. In the past, the cuts in the 2014 Farm Bill and in subsequent appropriations have limited the capacity of farmers, ranchers, and foresters to conserve water, maintain their soil, and produce abundant food and fiber for all Americans.

The importance of Farm Bill conservation programs to overall watershed health is particularly apparent when considering the Regional Conservation Partnership Program (RCPP). RCPP is one of the most innovative federal conservation programs in recent history, and presents an opportunity for agricultural groups, conservation organizations, municipalities, local and tribal governments, and other stakeholders to design partnership-driven, unique, regional projects that address multiple natural resource concerns on a meaningful scale.

Full mandatory funding for Farm Bill conservation programs can help keep working farms and ranches dependent on the Colorado River productive in the face of drought while achieving significant conservation goals and environmental benefits. Congress should keep the commitment it made to America's farmers and ranchers in the last Farm Bill by ensuring full funding for these programs in FY17.

Sincerely,

American Rivers  
National Audubon Society  
The Nature Conservancy  
Theodore Roosevelt Conservation Partnership  
Trout Unlimited





Preston W. Campbell, III, MD., President and CEO, Cystic Fibrosis Foundation

On behalf of the Cystic Fibrosis Foundation and the approximately 30,000 people with cystic fibrosis (CF) in the United States, we are pleased to submit the following testimony to the House Appropriations Committee's Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for fiscal year 2017. In order to encourage efficient review of drugs for cystic fibrosis and other rare diseases, we urge the Committee to prioritize the Food and Drug Administration (FDA) and provide at least \$2.85 billion in fiscal year 2017. We encourage special consideration and support for the Center for Drug Evaluation and Research (CDER), its Office of New Drugs (OND), and the Office of Orphan Products Development (OOPD).

Drug approvals by the FDA reached an 18 year high in 2014, and more than 400 rare disease drugs and biologics have been approved in the last 30 years. As the agency's responsibilities continue to grow and we enter an unprecedented era of innovation in drug development for rare diseases, even more needs to be done.

Cystic fibrosis is a rare genetic disease that causes the body to produce thick mucus that clogs the lungs and other bodily systems, resulting in life-threatening infections and other complications. There are nearly 2,000 mutations of the CF gene that can impact those with CF, and with the advent of precision medicine, therapies are being customized to treat a patient's specific genetic makeup. As this new concept in drug development quickly becomes a reality, it opens the door for the advancement of new targeted therapies in many important areas of medicine, including cancer and rare diseases like CF.

There are currently two therapies that have been approved to treat the underlying cause of CF in more than 30% of those with the disease. One such therapy, Kalydeco, was approved in 2012 to treat 4% of patients with CF based on their underlying CF-causing mutation. The approval was subsequently expanded to treat 8% of those with the disease soon after. Kalydeco's initial review time was three months, one of the fastest in the FDA's history. A second targeted therapy, Orkambi, was approved in 2015 to treat the most common CF-causing mutation. Orkambi was the first drug to receive the FDA's breakthrough therapy designation, and it underwent a six-month expedited review.

This success is a testament to what can be achieved when stakeholders collaborate across sectors to ensure a swift review of critical drugs. Throughout the review processes for Kalydeco and Orkambi, the Cystic Fibrosis Foundation and renowned CF experts worked closely with the drugs' sponsor Vertex Pharmaceuticals and the FDA to provide insight on specific issues related to CF, clinical research on CF treatments, and other related issues. The collaboration and efficiency in these trials can serve as a model for best practices in clinical trials for rare diseases.

Since its creation, the Breakthrough Therapy Designation at the FDA has been widely successful at accelerating the approval of new treatments that demonstrate substantial improvement over existing therapies. Cystic fibrosis treatments were the first designated as breakthrough therapies, and the process has improved efficiency and communication between the FDA and drug sponsors. Sponsor requests for the Breakthrough Therapy Designation have increased dramatically since the program's inception in 2012. In the program's first two years alone, CDER received more than 200 requests for breakthrough designation, and more than half of the therapies that were granted an expedited review through this program were for rare or orphan diseases. Sponsor requests for this designation are expected to increase further in the

coming years, and expanded funding and support for this program is critical to ensure that new breakthrough therapies receive an efficient yet rigorous review.

As new, more advanced personalized treatments like Kalydeco and Orkambi move through the pipeline, it is critical that the FDA has the resources necessary to further develop innovative methods for reviewing and evaluating the safety and efficacy of targeted therapies. The CF Foundation has significantly expanded its research investments with leading companies to accelerate the discovery and development of new genetically-targeted treatments. The Foundation is supporting 45 studies in 2016, including examination of several new targeted therapies. One series of studies planned for 2016 has the potential to treat the underlying cause of the disease in more than 85% of those with CF. It is crucial that the FDA have sufficient funding to provide a swift and efficient review of treatments for rare, life threatening conditions where there is an urgent need for new, targeted therapies.

A number of clinical trial design issues have been identified that may arise in review of rare and precision medicine therapies. As precision medicine continues to develop, robust funding is particularly crucial as the FDA will need to find new, innovative ways to handle unprecedented challenges in drug development and review.

For example, recruiting sufficient numbers of participants to support a classic clinical trial design for a rare disease population is often not possible, simply because there is a smaller pool of patients. This issue becomes even more significant with the advent of precision medicine as therapies become targeted to smaller populations based on unique genetic mutations within the CF population. As potential new therapies come under review, it may be necessary to test combinations of drugs in populations that include patients with several different CF mutations and develop and test single and combination therapies in n of 1 trials (those that consist of a

single patient). The FDA needs adequate funding to develop new regulatory pathways and approaches to handling variations in trial design that both maintain safety and efficacy standards while facilitating the development of treatments for patients with rare diseases.

Researchers and clinicians are also concerned about executing placebo-controlled trials for genetically-targeted treatments when successful, genetically-targeted drugs are already approved and available to patients. In addition to the ethical question of asking trial participants to suspend their use of the best available therapies, there is also a concern that such a request would dissuade participation in clinical trials for the next generation of targeted therapies.

As evaluating the safety and efficacy of targeted therapies becomes more challenging, there is also greater need for the use of biomarkers and the development of additional outcome measures. Biomarkers with the potential to reasonably predict clinical outcomes could play a tremendous role in accelerating drug development and review. However, the FDA needs adequate funding to accelerate classification of biomarkers and ensure that they are being examined throughout the clinical trials process. Similarly, Patient Reported Outcomes (PROs) are a largely untapped source of valuable data and information that can help advance understanding of efficacy throughout a clinical trial. As the FDA is looking at new and innovative ways of evaluating treatments, the agency needs the resources to consider new sources of valuable data to further inform and accelerate the review process.

Overall, as drug development advances, the FDA must be supplied with the proper resources to balance the need for an efficient and rigorous review process with the flexibility required to accommodate deviations from the standard clinical trial process.

We commend the regulatory science initiative formed by the NIH and the FDA, which aims to accelerate the development and use of new approaches to evaluate drug safety, efficacy,

and quality. With additional funding, the FDA will have greater ability to partner with key stakeholders to promote discussions and workshops of study designs to maximize the progression of safe and effective therapies through the development pipeline. Collaboration of the FDA with the NIH as well as external stakeholders offers immense promise for helping to expedite the drug development process and put safe and effective drugs in the hands of patients. However, this type of collaboration cannot move forward without adequate funding.

In addition, the CF Foundation is enthusiastic about the potential for clinical trial, clinical care, claims, and other health-related data to be utilized to improve drug discovery, development, and delivery. The Foundation has been a pioneer in the development and utilization of a robust data repository through the CF patient registry, and our therapeutics development network (TDN) has successfully encouraged clinical trial partners to share data. We ask that Congress support efforts by the FDA to explore strategies and guidelines for clinical trial data sharing. As drug development research advances, data sharing is vital to the acceleration of new discovery.

This is a time of great hope and optimism for the cystic fibrosis community as more therapies that treat the underlying cause of CF move through the pipeline. However, the FDA faces critical challenges as targeted therapies are being brought up for review, including small patient populations and the need for more flexibility in trial design. Additional funding to foster stakeholder collaboration to find solutions to these challenges and encourage clinical trial data sharing will help move much-needed treatments more efficiently to those who need them most.

Once again, we urge the Committee to make funding for the Food and Drug Administration a priority in fiscal year 2017 and provide at least \$2.85 billion for the agency. The CF Foundation stands ready to work with the Committee, FDA, and Congressional leaders on the challenges ahead. Thank you for your consideration.



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Testimony of

**May Berenbaum, PhD, President**

**Entomological Society of America**

On

**Fiscal Year 2017 Appropriations for the U.S. Department of Agriculture**

Submitted to the

**Appropriations Subcommittee on Agriculture, Rural Development,**

**Food and Drug Administration, and Related Agencies**

**United States House of Representatives**

March 15, 2016

The Entomological Society of America (ESA) respectfully submits this statement for the official record in support of funding for agricultural research at the U.S. Department of Agriculture (USDA). **ESA requests discretionary appropriations of at least \$1.884 billion in fiscal year (FY) 2017 for USDA's National Institute of Food and Agriculture (NIFA), including at least \$700 million for the Agriculture and Food Research Initiative (AFRI). The Society also supports a discretionary funding level of at least \$1.286 billion for the Agricultural Research Service (ARS), including funding for the ARS Crop Protection budget at a minimum of the FY 2016 enacted level of \$195 million to preserve valuable pest management research programs in FY 2017.**

The international stature of the United States as a producer and exporter of food, fiber, and other agricultural commodities has long been associated with innovation-fueled increases in

productivity. Steady growth in agricultural output over the past half-century has been accompanied by substantially smaller increases in inputs<sup>1</sup>, so that today fewer farmers are producing more food, without expanding land in cultivation, at lower costs to consumers. Increased productivity has been achievable through improved technology, spurred by federal investment in research and development. There are signs, though, that longstanding growth in productivity may be slowing, at a time when demands on the agricultural sector are steadily increasing. Ensuring food safety, security, quality, and environmental sustainability are among today's greatest challenges to U.S. agriculture—yet the U.S. global share of public investment in agriculture and food research and development has declined significantly in the past three decades.

Cutting-edge agriculture science, including entomology, is critical to meeting these challenges. Globalized trade has led to major redistribution of pest species, from indigenous areas where they are kept in check by natural enemies to new areas where they can rapidly expand their ranges. Beyond competing directly with humans by consuming crop plants, invasive insect pests also threaten food security by acting as vectors of plant diseases. The Asian citrus psyllid, the principal vector of the invariably fatal bacterial citrus greening disease, for example, has already caused over \$9 billion in losses to citrus growers in Florida alone<sup>1</sup>. Moreover, by outcompeting and displacing native species, invasive arthropods compromise ecosystem services provided by biotic communities, including pollination, nutrient cycling, and water regulation and purification.

As NIFA's premier competitive research program, AFRI funds a wide range of

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<sup>1</sup> National Academy of Sciences, 2014, *Spurring Innovation in Food and Agriculture: A Review of the USDA Agriculture and Food Research Initiative Program*. Washington: National Academies Press.

agricultural research, education, and extension projects at universities and research institutions nationwide. In addition, AFRI's Education and Literacy Initiative supports more than 2,000 trainees annually that will become the next generation workforce of agricultural and food scientists. **ESA appreciates the Subcommittee's efforts to increase the AFRI budget since the program's establishment and enthusiastically supports the requests for \$700 million for AFRI in FY 2017, the full amount authorized in the 2008 Farm Bill.** ESA also supports the proposed inclusion of pollinator health as a special area of emphasis within the AFRI Foundational Program, including plans to allocate \$10 million for new grants in the area of pollinator health to continue to support the government-wide initiative. America's insect pollinators contribute to the production of over 90 fruit, vegetable, nut, and fiber crops; collectively, pollination services of managed and wild pollinators in the US have been valued at more than \$17 billion annually. Populations of many of these pollinators, however, have been declining even as demand for pollination services for expanding acreages of fruit, nut, and vegetable crops has increased.

To maximize its limited resources, AFRI supports projects that address key societal challenges and build foundational knowledge in high-priority areas of the food and agricultural sciences, such as food safety and food security. For example, annual honey bee colony losses due, in part, to infestation by the varroa mite have created enormous problems for U.S. beekeepers and for the growers dependent on honey bees for pollination services. Scientists funded by AFRI have used genomic resources to identify receptor targets in the nervous system unique to the mite and are designing and testing synthetic analogues of the neuropeptides that interact with those receptors for mite control, thereby sparing honey bees and other non-target



species<sup>2</sup>. In addition to AFRI, other NIFA grants support programs to study and implement scientifically based approaches to reduced-risk integrated pest management (IPM), which has implications for human health, the environment, and the economy.

As USDA's intramural research agency, ARS funds research of broad consequence to our nation's agriculture enterprise, including in the areas of crop and livestock production and protection, human nutrition, food safety, and environmental stewardship. The ARS Crop Protection research program builds knowledge and develops approaches that are made available to crop producers, enabling better control of pest and disease outbreaks as they occur. In addition, the ARS Crop Production research program develops and approves safe and effective strategies for reducing crop loss and providing a dependable food supply. **ESA supports maintaining level funding with President's FY 2016 budget request, with \$195 million for the Crop Protection account and \$218 million for the Crop Production account.** In addition to the additional funding proposed within AFRI and ARS, **ESA supports USDA's participation in multi-agency activities to investigate pollinator health and develop implementation plans to prevent, slow, or reverse pollinator population decline.**

ESA, headquartered in Annapolis, Maryland, is the largest organization in the world serving the professional and scientific needs of entomologists and individuals in related disciplines. Founded in 1889, ESA has over 7,000 members affiliated with educational institutions, public health agencies, private industry, government laboratories, the U.S. military, and many nonprofit organizations. Members include academic scientists, teachers, extension

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<sup>2</sup> AFRI Competitive Grant, 2016, "Development of honey bee-safe acaricidal peptidomimetics," <http://portal.nifa.usda.gov/web/crisprojectpages/1009168-development-of-honey-bee-safe-acaricidal-peptidomimetics.html>.

service personnel, administrators, marketing representatives, research technicians, consultants, students, pest management professionals, and hobbyists, among others.

Thank you for the opportunity to voice support from the Entomological Society of America for USDA research programs. For more information about the Entomological Society of America, please see <http://www.entsoc.org/>.


**FASEB**

 Federation of American Societies  
for Experimental Biology

**Representing Over 125,000 Researchers**

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Testimony of the

**Federation of American Societies for Experimental Biology**

On

**FY 2017 Appropriations for the Department of Agriculture Agriculture and Food**
**Research Initiative and Agricultural Research Service**

Submitted to the

**House Committee on Appropriations**
**Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and**
**Related Agencies**
**Representative Robert Aderholt, Chairman**
**Representative Sam Farr, Ranking Member**
**The Federation of American Societies for Experimental Biology (FASEB)**
**respectfully requests a fiscal year (FY) 2017 appropriation of a minimum of \$700 million**
**for the Agriculture and Food Research Initiative and \$1.2 billion for the Agricultural**
**Research Service. This funding level represents a continuing commitment to the vital field of**
**agricultural research.**


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The American Physiological Society • American Society for Biochemistry and Molecular Biology • American Society for Pharmacology and Experimental Therapeutics  
 American Society for Investigative Pathology • American Society for Nutrition • The American Association of Immunologists • American Association of Anatomists  
 The Protein Society • Society for Developmental Biology • American Peptide Society • Association of Biomolecular Resource Facilities  
 The American Society for Bone and Mineral Research • American Society for Clinical Investigation • Society for the Study of Reproduction • The Teratology Society  
 The Endocrine Society • The American Society of Human Genetics • International Society for Computational Biology • American College of Sports Medicine  
 Biomedical Engineering Society • Genetics Society of America • American Federation for Medical Research • The Histochemical Society • Society for Pediatric Research  
 Society for Glycobiology • Association for Molecular Pathology • Society for Redox Biology and Medicine • Society for Experimental Biology and Medicine  
 American Aging Association (AGE) • U.S. Human Proteome Organization (USHUPO)

The United States Department of Agriculture (USDA) funds research through a competitive grants system, the Agriculture and Food Research Initiative (AFRI), and an “in-house” effort administered by the Agricultural Research Service (ARS). Grants are awarded to state agricultural experiment stations, colleges, university research foundations, and other research institutions, as well as private organizations. AFRI funded over 1,200 research projects in all 50 states between 2009 and 2011. ARS currently supports more than 2,000 scientists at 90 laboratories throughout the country.<sup>1</sup>

Examples of promising USDA-funded research include:

- **Laser Tool Detection of *Salmonella*:** Scientists funded by USDA at Purdue University have developed a new method for the detection of *Salmonella* bacterial contamination in food. By using a laser to scan bacteria isolated from food samples, the new technology can identify potential contamination about three times faster than traditional methods. This rapid screening could ultimately lead to more thorough and rapid food inspections, thus reducing morbidity from *Salmonella* food poisoning.<sup>2</sup>
- **Molecular Mechanisms of Herbicide Resistance:** Compounds called safeners are routinely applied to cereal crops to protect them from weed-killing herbicides. However, the precise mechanism by which these safeners work remained largely unknown. Recently, USDA-supported researchers at the University of Illinois have discovered that specific molecules for detoxifying herbicides in cereal plants are upregulated when safeners are applied. This insight will aid in the management of herbicide use, and similar

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<sup>1</sup> <http://www.ars.usda.gov/is/np/ARSImpacts/ARSImpacts.pdf>

<sup>2</sup> <http://www.purdue.edu/newsroom/releases/2014/Q1/laser-tool-speeds-up-detection-of-salmonella-in-food-products.html>

detoxification processes in plants may prove to be useful traits for resistance to other stressors, including drought, pests, or disease.<sup>3</sup>

- **Computer Modeling of Food-borne Pathogen Growth:** One of the greatest challenges in food safety is to ensure that different foods are handled properly to prevent the growth of harmful, contaminating microbes. In order to enhance the ability of food companies to ensure the safety of their products, ARS scientists at the USDA Eastern Regional Research Center have developed a software package that models the growth and proliferation bacteria in different environments. These models can then be used to develop effective management practices that reduce the instance of foodborne illness.<sup>4</sup>
- **Uncovering the Links between Maternal Traits and Fetal Development:** An important area of ongoing research seeks to understand how mothers' health during pregnancy might affect children's growth and development. Using advanced imaging techniques, USDA ARS-funded researchers at the Arkansas Children's Nutrition Center have discovered a relationship between maternal obesity during pregnancy and brain structure in newborns. This study is part of a growing literature suggesting previously unknown ways in which maternal health has profound neurological effects on fetal development. Such studies therefore not only shed light on fundamental mechanisms of human brain development, but also could help with design of dietary and exercise interventions for expecting mothers that improves infant health.<sup>5</sup>
- **Development of Drought and Disease Resistant Corn:** Drought represents a major threat to crop production. To begin to address this problem, USDA-funded researchers at

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<sup>3</sup>[http://www.grainnet.com/articles/University\\_of\\_Illinois\\_Researchers\\_Learn\\_More\\_About\\_Herbicide\\_Defense\\_Switch\\_in\\_Cereal\\_Crops-146822.html](http://www.grainnet.com/articles/University_of_Illinois_Researchers_Learn_More_About_Herbicide_Defense_Switch_in_Cereal_Crops-146822.html)

<sup>4</sup><http://portal.erro.ars.usda.gov/PMP.aspx>

<sup>5</sup><http://www.ncbi.nlm.nih.gov/pubmed/25919924>

Texas A&M University have been exploring the genetics of corn varieties grown in different regions of the United States. Through this work, the team has begun to breed more productive varieties of corn that show greater resistance to drought and opportunistic infections. These efforts will be especially important for growers in the most drought prone regions.<sup>6</sup>

- **Improving the Safety of Leafy Green Vegetables:** Bleach, hydrogen peroxide, or other toxic chemicals are often used to remove bacteria from leafy vegetables. Researchers at the University of Arizona supported by the USDA have discovered that non-toxic plant antimicrobial and other organic compounds can be just as effective in cleaning produce. Pursuing these alternative strategies has the potential to both increase food safety and reduce the adverse health and environmental impacts of using harsh cleaning agents on food plants.<sup>7</sup>
- **Combating the Spread of Antimicrobial Resistance:** The proliferation of antibiotic-resistant microbes poses a significant threat to both human and animal health. However, scientists are only beginning to understand the details of how antibiotic resistance emerges and spreads, both within agricultural and non-agricultural settings. To address this, AFRI-funded scientists are playing an integral role as part of broader national efforts to deal with this critical challenge. For example, researchers at the University of Minnesota have begun to study the evolution of antibiotic resistant *E. coli* and *Salmonella* on poultry farms in the hopes of developing better management strategies that will improve both food safety and public health.<sup>8</sup>

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<sup>6</sup> <http://nifa.usda.gov/blog/breeding-program-brings-better-safer-corn-south>

<sup>7</sup> <http://nifa.usda.gov/blog/improving-safety-leafy-greens>

<sup>8</sup> <http://portal.nifa.usda.gov/web/crisprojectpages/1005062-systems-approach-to-identifying-targeted-interventions-for-minimizing-antibiotic-resistance-in-the-poultry-production-system.html>

New technologies and improved techniques are needed to address serious agricultural-related crises facing our country including the ongoing drought in California, childhood obesity, pollinator collapse, and citrus greening. Other challenges include changing weather patterns that shift growing seasons and threats posed by increasing varieties of invasive weeds, pests, and pathogens. Investment in USDA will help us to better understand the relationship between food consumption and behaviors, dietary patterns, and various health outcomes, including those related to obesity and the development of chronic diseases. USDA-funded research leads to nutrition education and obesity prevention strategies and interventions that advance public health.

Accelerating the pace and productivity of agricultural research will require sustained increases for AFRI and ARS. A National Research Council (NRC) review of the AFRI program concluded that, “ARFI plays a critical and unique role in the nation’s overall research and development (R&D) portfolio because its mandated scope, mission, and responsibilities are focused on the most important national and international challenges facing food and agriculture. But it has not been given the adequate resources needed to meet contemporary and likely future challenges.”<sup>9</sup> The NRC report further recommended that the U.S should strengthen its public investment in agricultural R&D to ensure that it continues its ability to remain a global leader in innovation, food production, and health promotion.

**FASEB recommends a minimum of \$700 million for AFRI and \$1.2 billion for ARS in FY 2017. These funding levels represent a first step toward a longer-range commitment to sustain the vital field of agricultural research.**

Thank you for the opportunity to offer our testimony on USDA research programs.

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<sup>9</sup> The National Academies Press. *Spurring Innovation in Food and Agriculture: A Review of the USDA Agriculture and Food Research Initiative* (2014).

Testimony of  
Wenonah Hauter, Executive Director, Food & Water Watch  
before  
the House Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration and Related Agencies Appropriations

March 15, 2016

Chairman Aderholt, Ranking Member Farr, and members of the Subcommittee. On behalf of the non-profit consumer advocacy organization Food & Water Watch, I welcome this opportunity to express our views on the FY 2017 appropriations bill under your jurisdiction.

**Food Safety and Inspection Service**

We remain opposed to the New Poultry Inspection System (NPIS) that is being implemented for several reasons: 1) there is still no proof that this privatized inspection model will make poultry safer. In fact, when we asked agency officials at a recent meeting for testing statistics from plants that have actually shifted to NPIS to demonstrate that poultry that is slaughtered under this new system is safer, they could not do so; 2) the agency still has not addressed the issue of designating certain strains of Salmonella and Campylobacter as adulterants. It is baffling to us that the Obama Administration has failed to request this authority from the Congress; 3) we remain concerned that the company sorters who are taking over inspection responsibilities on the slaughter lines have not received proper training; 4) the reticence of the poultry industry to shift to this new system illustrates to us that it is not confident that NPIS will work. The excuses that the agency lists in its FY 2017 Explanatory Notes for not achieving its salary savings goals for FY 2016 are not accurate; 5) the agency still seems to be interested in increasing line speeds in



poultry facilities. There are rumors that there might be a rider attached to the FY 2017 Agriculture Appropriations bill to revoke the 140 birds per minute cap for young chicken plants shifting to NPIS. We strongly oppose any such efforts. The one remaining USDA inspector left on the slaughter line in NPIS plants is responsible for inspecting 2.33 birds every second. This is an impossible task. To increase the line speed to 175 is totally irresponsible. We urge the subcommittee to provide vigorous oversight over the implementation of NPIS because it is not achieving the food safety goals that the agency touted when the rule was finalized.

We support the agency's \$4.5 million funding request so that it can perform genomic sequencing in its pathogen identification work, and its \$3 million request to expand laboratory analysis. We do not support its \$1 million request for advanced analytics for its Public Health Information System (PHIS). As we have alerted the subcommittee on several occasions in the past, the implementation of PHIS has been problematic. Our concerns were corroborated by the USDA Office of Inspector General in its August 2015 audit report of the IT system. When we recently asked agency officials what this additional money would be used for, they were equivocal. Instead of giving the agency additional money to prop up a failed IT system, we strongly urge that the subcommittee get concrete answers from the agency regarding this funding request. We should not be throwing good money after bad for a system that has already cost substantially more than originally estimated.

We also urge the subcommittee to request from the agency a detailed plan on how it intends to deal with the chronic staffing shortages in the inspection workforce across the country. There are some FSIS regions that continually have double-digit vacancy rates. This is impacting the

ability of the remaining inspectors to complete their inspection tasks. Food & Water Watch published an analysis of the impact of the staffing shortages in September 2015.<sup>1</sup>

Food & Water Watch supported the rule to transfer the inspection of siluriformes from the U.S. Food and Drug Administration to FSIS. We were disappointed with the length of time for the final rule to be published and with the interference of the Office of U.S. Trade Representative in the development of that rule. We are concerned with the length of the transition period contained in the rule, especially for exporting countries. We did not see in the agency's budget request additional funding for more import inspection personnel to deal with imported siluriformes. We urge the subcommittee to ask the agency how intends to deal with the inspection of imported siluriformes at our ports-of-entry.

We are concerned with the agency's recent publication of audit reports for the poultry inspection system in the People's Republic of China (PRC), in which it has concluded that it intends to move forward with rulemaking to permit the PRC to export its own poultry to the U.S. The food safety system in the PRC is weak at best and corrupt at worst. On March 7, a story appeared in a food trade publication in which the head of the PRC's Food and Drug Administration admitted that his agency could not keep up with investigating all of the cases of adulterated food that had entered into that country's food supply.<sup>2</sup> We have always been suspicious that the PRC poultry equivalency determination has had a nexus with the re-opening of the Chinese market to U.S.

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<sup>1</sup> See <http://www.foodandwaterwatch.org/news/usda-records-reveal-staffing-shortages-undermining-food-safety>

<sup>2</sup> See <http://www.foodnavigator-asia.com/Policy/Food-safety-chief-FDA-struggling-to-cope-with-scale-of-adulteration>

beef. Trade cannot trump food safety and we urge the subcommittee to insert statutory language in the FY 2017 bill to require the agency to provide regular reports to Congress on this issue.

Furthermore, we urge the subcommittee to continue to prohibit USDA from purchasing poultry products from the PRC for the various nutrition programs it administers, including the National School Lunch Program.

### **Grain Inspection Packers and Stockyards Administration**

We urge the subcommittee to exclude any legislative riders that limit the authority of the Secretary of Agriculture under the Packers & Stockyards Act (P&SA) of 1921. The P&SA is a vital federal statute that protects livestock farmers and ranchers from unfair, deceptive, fraudulent and anticompetitive business practices by the meatpacking and poultry companies. The 2008 Farm Bill directed USDA to write rules to address the market power and predatory business practices of the highly consolidated and vertically integrated meatpacking and poultry industries that were finalized in a considerably diminished form in 2011, but previous agricultural appropriations provisions have hindered USDA from providing basic protections and safeguards for U.S. farmers and ranchers. The 2014 Farm Bill did not revisit these provisions and the Consolidated Appropriations Act of FY 2016 did not include any version of the prior policy riders. The subcommittee should continue to exclude any policy riders that undermine the work of the Secretary and the Agriculture Committees.

**Food and Drug Administration**

We are concerned that the funding request made by the administration for the implementation of the Food Safety Modernization Act (FSMA) is not adequate. The administration, again, is relying on user fees to fund most of the implementation work for FY 2017 even though it knows that Congress will not enact such fees. We urge the subcommittee to work with the agency to determine a realistic appropriations request so that the implementation of FSMA can continue.

We are requesting \$10 million to help small and mid-size farms and small processing facilities comply with new proposed food safety regulations. This training program, authorized in FSMA, is one of the best and least costly ways to improve food safety outcomes without resorting to excessive farm regulation. The program received \$5 million in FY 2016. The President's FY 2017 budget requests \$5 million. We are requesting \$10 million for FY 2017, because food safety training for family-scale operations is critical at this stage of FSMA implementation.

Witness Name, Position, Organization: Bryant E. Gardner, Partner, Winston & Strawn LLP

Subject/Programs: International Food Aid (Food for Peace & Food for Progress)

Point of Contact: Bryant E. Gardner, [bgardner@winston.com](mailto:bgardner@winston.com)

Agencies: U.S. Department of Agriculture Foreign Agriculture Service, U.S. Agency for International Development.

March 8, 2016

The Honorable Robert Aderholt  
Chairman, Subcommittee on Agriculture, Rural  
Development, Food and Drug Administration,  
and Related Agencies  
Committee on Appropriations  
United States House of Representatives  
Capitol Building, H-305  
Washington, D.C. 20515-3801

The Honorable Sam Farr  
Ranking Member, Subcommittee on  
Agriculture, Rural Development, Food and Drug  
Administration, and Related Agencies  
Committee on Appropriations  
United States House of Representatives  
Longworth House Office Building, 1016  
Washington, D.C. 20515-6157

Dear Chairman Aderholt and Ranking Member Farr:

The undersigned organizations support sustained funding for the Food for Peace (P.L. 480) and Food for Progress international food aid programs and oppose proposals to reduce funding or to shift these resources to overseas commodity procurement and cash assistance. These bedrock food aid programs have enjoyed strong bipartisan support for over 60 years because they share America's agricultural bounty with those who need it most.

Our food aid programs have constantly evolved and improved over the years. They provide well-honed and dependable systems for identifying the appropriate commodities for targeted populations, and for procuring and shipping these commodities through an aid pipeline that is second to none. The transparency, accountability, and reliability of this system are the result of decades of cooperation

through a uniquely sustainable public-private partnership among tens of thousands of committed Americans at faith-based and other non-governmental organizations, and in agriculture, labor, industry, and government.

Growing, manufacturing, bagging, and shipping nutritious U.S.-grown food creates jobs and economic activity here at home, provides crucial cargo for our U.S. Merchant Marine, which is essential to our national defense sealift capability, and sustains a robust domestic constituency for these programs not easily replicated in alternative foreign aid programs. Overseas, Food for Peace has an established track record of preventing childhood starvation and providing life-saving tools that families need to work their way out of the most dire poverty. Food for Progress fights hunger by promoting free enterprise in emerging democracies through development of the agricultural sector. Both of those programs are proven methods for tackling food insecurity head-on with concrete results.

In addition to feeding the hungry and facilitating developmental programs to end the cycle of hunger, U.S. food aid programs are also some of our most effective, lowest-cost national security and diplomatic tools. Bags of U.S.-grown food bearing the U.S. flag and stamped as “From the American People” serve as ambassadors of our Nation’s goodwill, which can help to address the root causes of instability. In a time of growing global food insecurity and extremism, these programs need to be expanded, not eliminated or slashed to fund dubious proposals.

We therefore oppose shifting food aid resources to overseas commodity procurement and cash assistance, and strongly encourage sustained funding for Food for Peace and Food for Progress, preserving the unique qualities that have made them the world’s most successful, most dependable humanitarian assistance programs.

Sincerely,

American Association of Port Authorities	National Council of Farmer Cooperatives
American Great Lakes Ports Association	National Potato Council
American Maritime Congress	National Sorghum Producers
American Maritime Officers	Navy League of the United States
American Maritime Officers' Service	North American Millers' Association
American Soybean Association	Potomac Maritime, LLC
APL Limited	Potomac Shipping International, LLC
Central Gulf Lines, Inc.	Sailors' Union of the Pacific
Euro-America Shipping & Trade, Inc.	Schuyler Line Navigation Company, LLC
Hapag-Lloyd USA, LLC	Seafarers International Union
Intermarine, LLC	Texas Cargo Transport (America), LLC
International Organization of Masters, Mates & Pilots	Transfer Logistics LLC
Liberty Maritime Corporation	Transportation Institute
Maersk Line, Ltd.	US Dry Bean Council
Marine Engineers' Beneficial Association	US Rice Producers Association
Maritime Institute for Research and Industrial Development	USA Dry Pea and Lentil Council
National Association of Wheat Growers	USA Maritime
National Barley Growers Association	USA Rice
National Corn Growers Association	Virginia Port Authority
	Waterman Steamship Corporation

Testimony of Harold L. Arnold  
regarding  
USDA AMS Consideration of a Wood to Energy Research and Promotion Program

March 14, 2016

Chairman Aderholdt and Ranking Member Farr, thank you for this opportunity to submit outside witness testimony for the fiscal year 2017 Agriculture, Rural Development, Food and Drug Administration and Related Agencies appropriations process. My name is Harold L. Arnold, and I am President of Fram Renewable Fuels, which produces densified wood pellets for energy.

As you may know, the USDA's Agriculture Marketing Service is considering a proposal for a research and promotion program wood pellets. AMS is in consultation with a group of six companies from the industry over a plan for a "wood to energy" checkoff. This is a remarkably small sample of the industry and does not represent a consensus opinion of the industry. According to those few industry sources familiar with the process, it is likely to be put forth as a proposed Promotion, Research and Information Order, under the Commodity Promotion, Research, and Information Act of 1996 (Act).

While there are a number of substantive issues of concern in this process, I will limit our testimony to one fundamental procedural and operational issue which I believe necessitates the cessation of this process, at least for the near term. Thus my request is that the fiscal year 2017 Agriculture, Rural Development, Food and Drug Administration and Related Agencies appropriations bill prohibit all funding for salaries and expenses of AMS personnel who are engaged in the drafting and subsequent promulgation of the planned Order.

The draft plan that is being considered by the AMS provides a *de minimus* level exemption from the conceived checkoff program at 50,000 bone dry tons (bdts). The effect of the proposed



exemption is considerable. *Biomass Magazine* lists the capacity of 170 of 182 pellet plants in the US; of those 170 plants with listed capacity, 92 plants (54 percent) would be completely exempt from assessments under the proposed *de minimus* exemption. It would also exclude more than 40 percent of the total U.S. production.

There are two key points to consider.

First, exempting more than half the industry is not in keeping with the Congressional intent of the 1996 Act and is not reflective of the purpose of federal research and promotion programs. As noted by a study of checkoff programs conducted by Pennsylvania State University (Sabet) the purpose of a checkoff program is to ensure “everyone is required to contribute at the same rate based on their market involvement” to avoid the “free-rider” problem. In this case of a 50,000 bdt exemption, the effect of a checkoff actually would be to create a free rider problem by exploiting the *de minimus* exemption.

Second, an unusually high *de minimus* exemption, which has been a standard provision of a number of proposed and previously adopted forest product checkoffs, including the recently terminated Hardwood and Hardwood Plywood proposal, and the enacted Softwood Lumber checkoff is under a legal cloud. On September 9, 2015, U.S. District Court Judge James Boasberg in the case *Resolute Lumber, Inc. v. USDA* ordered USDA to provide a “reasoned and coherent treatment” of the Softwood Lumber checkoff structure. The Judge wrote the extent of the exemptions “strains credulity.” Like the proposal for the wood to energy checkoff which exempts the first 50,000 bdts, the Softwood Lumber Checkoff exempts from assessment the first 15 million board feet of softwood from each mill.

**Page 3 of 3**

However, the exemption for the pellet checkoff would create an eligible class of approximately 45 percent of manufacturers and thus is a much larger exemption than the Softwood Lumber checkoff over which the District Court has expressed concern. The Softwood checkoff maintains an eligible class of about 61 percent of producers. At a minimum, this Court case should be settled before AMS continues any work on a wood to energy proposal, especially as now conceived,

Thank you for your consideration of my testimony.

**Allan Stoner, Ph.D., President, Friends of Agricultural Research – Beltsville, Inc.  
www.far-b.org**

**Fiscal Year 2017 Outside Witness Testimony prepared for U. S. House of Representatives  
Appropriations Committee, Subcommittee on Agriculture, Rural Development, Food and  
Drug Administration, and Related Agencies**

March 15, 2016

Mister Chairman and Members of the Subcommittee, thank you for this opportunity to present our statement supporting funding for the Department of Agriculture's Agricultural Research Service (ARS), and especially for its flagship research facility, The Henry A. Wallace Beltsville Agricultural Research Center in Beltsville, Maryland. We strongly recommend full fiscal-year 2017 funding for the Beltsville center.

The world-famous agricultural research center has led national agricultural progress for well over a century. A national and world treasure – home to the world-famous Beltsville Small White Turkey – the center generates enormous benefits for our country.

**Notable recent accomplishments:**

The American Chemical Society recently named Beltsville a National Historic Chemical Landmark for the discovery and isolation of the light-sensitive plant pigment phytochrome. Hailed as a leading plant science discovery of the 20th century, the research required 41 years of intensive research effort.

A natural nitrogen-fixing strain of Rhizobium bacteria identified and patented at Beltsville is used to inoculate some 55 million acres of soybeans in the United States. A reduced reliance on petroleum-based nitrogen fertilizer remains an essential goal for our country.

The Food Components and Health Laboratory of the Beltsville Human Nutrition Research Center recently found that tree nuts have lower calorie content than currently listed on food labels. These findings improve food labeling and help consumers make better food choices.

Dr. Hyun Soon Lillehoj, a Beltsville senior research molecular biologist, received a 2015 Samuel J. Heyman Service to America Medal in Career Achievement (“the Sammies”), for her research to reduce the use of antibiotics in commercial poultry.

**Yet, Beltsville faces devastating decline and obsolescence from long-deferred essential maintenance and repairs** to buildings, roadways, and its electrical grid infrastructure.

Roadways are in great need of repairs and an independent assessment of some of the bridges revealed such disrepair as to become “life safety issues.”

These issues cry out for attention. **We estimate and recommend that a dedicated annual appropriation of \$3 million is needed to address long-delayed repairs and maintenance.** The Beltsville campus consists of approximately 6,000 acres and 308 buildings containing laboratories, offices, greenhouses, animal facilities, repair shops, farm buildings, and other specialized facilities. There are 37.6 miles of paved roadways, many of which are in an urgent need of repair. Most buildings were constructed in the 1920s and 1930s, the oldest in 1805.

**We turn now to selected items within the President’s FY2017 budget proposal.**

First, we would confirm our sincere appreciation and gratitude that the Consolidated Appropriations Act of 2016 includes \$37.1 million in federal funding to modernize research laboratories at the Beltsville Agricultural Research Center. As mentioned before many Beltsville laboratories were built in the 1920s, 1930s 1950s and 1960s and are now more than 60 years old.

This funding will be used to modernize Building 307, which has been largely vacated because its space is no longer functional for research activities.

We also are very pleased that the President's Fiscal Year 2017 budget includes increases in critically important research initiatives, which would lead to creating new jobs, enhancing American agriculture competitiveness in the global economy, assuring future food security, protecting crops and animals from diseases and reducing their vulnerability to climate change, while improving the economic and environmental sustainability of American agriculture. The scientists of the Henry A. Wallace Beltsville Agricultural Research Center are recognized world leaders in the scientific disciplines that are necessary to successfully execute the President's proposed research initiatives. Specifically, we would like to highlight the following initiatives that will enhance the Center's research programs.

**Climate Change-Resilience Crops that Respond and Adapt to Climate Change:**

The proposed budget provides \$292,500 for the Henry A. Wallace Beltsville Agricultural Research Center to identify and evaluate management practices that maximize plant genetic potential to achieve optimal yield. This will be achieved by determining how rising temperatures and carbon dioxide alter physiological processes, growth, and crop quality and how genetic make-up makes plants adaptable or resistant to environmental changes. Also, these additional funds will be used to advance our understanding of the effects of climate change on pests and beneficial insects, so crops can be better protected against insect pests.

**Climate Change-Reduce Vulnerability of Agro-Ecosystems to Climate Change:** The budget proposes \$90,000 in new funding to the Henry A. Wallace Beltsville Agricultural Research Center to model the impact of long-term weather, using Long-Term Agro-Ecosystem Research

(LTAR) data, on crop and livestock productivity. In 2012, ARS organized ten of its existing research watersheds, ranges, and farms into a LTAR network to conduct research to support sustainable agricultural production. In FY 2014, ARS added eight additional LTAR sites, thereby increasing coverage in key agricultural production regions, while strengthening ties between USDA science and the Nation's land grant university system. Thus ARS began to transform existing long-term research infrastructure, both within and outside of USDA, to address all components of agricultural sustainability (i.e., productivity, economics, environmental quality, ecosystem services, and human and social well-being). The FY2017 \$90,000 increase will fund the newly designated unfunded site in the Chesapeake Bay.

**Combating Antimicrobial Resistance:** The budget proposes \$2,890,800 of new funding for the Henry A. Wallace Beltsville Agricultural Research Center to create new tools to combat antimicrobial resistance in animals and the environment. Among expected benefits are novel approaches to boosting animal natural immune systems for resistance to parasitic infections, gut stabilization against pathogens, or novel strategies using antimicrobial growth promoters to limit the consequences of host reactivity to pathogens and protection of public health.

**Safe and Abundant Water Supplies:** A \$225,000 increase is provided for the Henry A. Wallace Beltsville Agricultural Research Center to develop safe and abundant water supplies to support U.S. agricultural production by using non-traditional water sources.

Mr. Chairman, this concludes our statement. Thank you for consideration and support for the educational, research, and outreach missions of The Henry A. Wallace Beltsville Agricultural Research Center.

Sincerely,

Allan Stoner, Ph.D.

President, Friends of Agricultural Research-Beltsville

Respectfully submitted by Steve Pierson ([spierson@amstat.org](mailto:spierson@amstat.org)) on behalf of the undersigned members of the Friends of Agricultural Statistics and Analysis

March 15, 2016

The Honorable Robert Aderholt  
Chair, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Sam Farr  
Ranking Member, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies  
U.S. House of Representatives  
Washington, D.C. 20515

RE: OWT to the House Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for Consideration Regarding the USDA REE FY 17 Budget

Dear Chairman Aderholt and Ranking Member Farr,

The undersigned groups, which include various members of the Friends of Agricultural Statistics and Analysis, strongly support federal investment to advance agricultural statistics and research in the United States Department of Agriculture's (USDA) Economic Research Service (ERS) and the USDA National Agricultural Statistics Service (NASS). We support funding for these agencies in fiscal year 2017 (FY17) at levels that are *at least* \$91.3 M for ERS and \$176.6 M for NASS.

USDA produces valuable data that directly informs decisions by food and agricultural market participants; agricultural input and food businesses; banks and other credit institutions; and those who make food, farm, economic development, and trade policy. American agriculture, rural America, food, and resource-based industries depend on the reliable production of timely, accurate, and objective food, agricultural, rural economic, and resource statistics and market information. Additionally, the statistics and analysis made possible by these agencies provides a greater understanding of farm household dynamics, advances evidence-based policy approaches, and gives insight into the health of the farm economy.



The National Agricultural Statistics Service (NASS) is committed to providing timely, accurate, and useful statistics in service to U.S. agriculture. The agency conducts hundreds of surveys every year and prepares reports and information to communicate the survey results. Production and supplies of food and fiber, prices paid and received by farmers, farm labor and wages, farm finances, chemical use, and changes in the demographics of U.S. producers are only a few examples of the information gathered. NASS reports the facts on American agriculture, facts needed by people working in and depending upon U.S. agriculture. A primary concern of NASS is to “safeguard the privacy of farmers, ranchers, and other data providers, with a guarantee that confidentiality and data security continue to be our top priorities.”

The mission of the Economic Research Service (ERS) is to inform and enhance public and private decision making on economic and policy issues related to agriculture, food, the environment, and rural development. To accomplish this mission, ERS manages a comprehensive program of economic research and analysis (including development of economic and statistical indicators), which is coordinated with NASS efforts. ERS also works with NASS to develop the content of and covers the cost of more than half of the Agricultural Resource Management Survey (ARMS), NASS's largest farm operator survey. Also, ERS independently conducts its own National Household Food Acquisition and Purchase Survey. Connecting with and working closely with researchers across the U.S., ERS issues cooperative agreements and grant awards and works with land-grant partners on many projects. These essential collaborations could be threatened if support waivers. Finally, the ERS is a primary source of economic information and research in USDA; the work it does improves the Department's program effectiveness.

USDA's data products and analytical programs provide the U.S. with an important edge against increasingly fierce global agricultural competition. These programs benefit the entire supply chain, starting at the farm gate and enhancing decisions throughout national and international food, feed, fiber, and fuel economies. Public data products and projections serve to improve the accuracy of the

expectations of market participants, reducing market pricing errors. The U.S. agricultural data information and analysis system is second to none, worldwide. Today, NASS is experiencing increased demand for its statistical products and reports. Similarly, ERS is experiencing significant requests for its research, data products, and services. To continue to build future trade and finance capacity in an increasingly competitive marketplace, the U.S. must invest in and leverage all of its strengths, including the food and agricultural data and information system.

We encourage you to support these agencies so that they can continue to provide essential information to farm and agribusiness, government agricultural program, and food policy decision makers. If you have any specific questions with regard to agricultural data products related to your state, please contact (agricultural.statistics@gmail.com).

Thank you in advance for your thoughtful consideration of this information.

Sincerely,

Agricultural & Applied Economics Association  
 American Association of Mycobacterial Diseases  
 American Dairy Science Association  
 American Society of Agronomy  
 American Society of Animal Science  
 American Society of Farm Managers and Rural Appraisers  
 American Statistical Association  
 American Sugar Alliance  
 Consortium of Social Science Associations  
 Council of Professional Associations on Federal Statistics  
 Crop Science Society of America  
 Deere & Company  
 FASS  
 Global Cold Chain Alliance  
 International Association of Refrigerated Warehouses  
 Mycobacterial Disease of Animals Multistate Initiative  
 National Association for the Advancement of Animal Science  
 National Association of State Departments of Agriculture  
 National Coalition for Food and Agriculture Research  
 National Farmers Union  
 National Sustainable Agriculture Coalition  
 North American Regional Science Council  
 Poultry Science Association  
 Restaurant Services, Inc.  
 Soil Science Society of America  
 The Fertilizer Institute

## **FRIENDS OF THE AGRICULTURAL RESEARCH SERVICE**

February 26, 2016

The Honorable Harold Rogers  
Chairman, Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Robert Aderholt  
Chairman, Subcommittee on Agriculture,  
Rural Development, Food and Drug  
Administration and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Nita Lowey  
Ranking Member, Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Sam Farr  
Ranking Member, Subcommittee on Agriculture  
Rural Development, Food and Drug  
Administration and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairmen Rogers and Aderholt, and Ranking Members Lowey and Farr:

The Friends of the Agricultural Research Service Coalition (FARS) writes in support of increased funding for the USDA's Agricultural Research Service (ARS). We urge the Committee to provide no less than \$1,161,340,000. Investments in sound science will lead to healthy animals and plants, healthy soil, and safe and nutritious food.

ARS has a strong track record of providing science-based solutions to critical agricultural challenges faced by the Nation, thereby improving the competitiveness and sustainability of U.S. agriculture. ARS intramural research is uniquely suited for projects that require a long-term investment leading to high-impact payoffs, while maintaining the capacity and readiness to respond to emerging and pressing problems.

ARS also plays a critical role in partnering with the university community and industry to advance science and address emerging issues. These partnerships are strengthened through ARS extramural support of research at these institutions.

FARS is encouraged by the agency's increased focus on livestock production and protection research programs in critical areas such as avian influenza, foreign animal diseases and antimicrobial resistance. ARS research has been critical to anticipating and addressing challenges faced by producers of both commodity and specialty crops with recent focus on using big data to improve crop genetics and management. ARS has the potential to make significant progress towards solving problems facing America's crop, livestock, and poultry producers.

We are also pleased to see the ARS investment in research to improve water management and increase water use efficiency. Unprecedented drought in places like California underscores the importance of this work.

FARS thanks the committee for investing in in ARS infrastructure in fiscal 2016. To that end we support the President's request of \$94.5 million to address the next highest priority facilities identified in the Capital Investment Strategy to support ARS facilities.

As you work on agriculture appropriations for fiscal year 2017, we urge you to provide no less than \$1,161,340,000 to carry out the important mission of ARS. This level of funding will ensure that ARS can respond to new pests and diseases, drought, food safety issues and environmental concerns. Thank you for your consideration of our request. FARS stands ready to work with you as the process moves forward and answer any questions that you may have.

Sincerely,

American Association of Mycobacterial Diseases  
 American Dairy Science Association  
 American Malting Barley Association  
 American Seed Trade Association  
 American Society for Horticultural Science  
 American Society for Microbiology  
 American Society for Nutrition  
 American Society of Agronomy  
 American Society of Plant Biologists  
 American Veterinary Medical Association  
 Animal Health Institute  
 Association of American Veterinary Medical Colleges  
 Association of Public and Land-grant Universities  
 Crop Science Society of America  
 Entomological Society of America  
 FASS  
 Mycobacterial Diseases of Animals Multistate Initiative  
 National Association for the Advancement of Animal Science  
 National Association of Federal Veterinarians  
 National Association of Wheat Growers  
 National Barley Growers Association  
 National Barley Improvement Committee  
 National Coalition for Food and Agricultural Research  
 National Sunflower Association  
 Rural and Agriculture Council of America  
 Society for Range Management  
 Soil Science Society of America  
 U.S. Canola Association  
 U.S. Dry Bean Council  
 U.S. Dairy Forage Research Center Research and Industry Committee  
 USA Dry Pea & Lentil Council

cc: members of the House Committee on Appropriations, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies

House Committee on Appropriations  
Subcommittee on Agriculture, Rural Development, FDA and Related Agencies

Testimony submitted by Keith Dane, Senior Advisor, Equine Protection, The Humane Society of the United States, on behalf of the undersigned horse industry, veterinary, and animal welfare organizations and former Senator Joseph Tydings, regarding FY 2017 funding for enforcement of the Horse Protection Act

March 15, 2016

On behalf of the undersigned horse industry, veterinary, and animal welfare organizations, and former Senator Joseph Tydings, we submit the following testimony seeking funding for the USDA/APHIS Horse Protection Program of \$705,000 for FY 2017. We recognize that Congress is focused on the imperative of cutting federal spending. But we believe that it should be possible to achieve meaningful reductions in the overall budget while still addressing shortfalls in very specific accounts that are vital and have been seriously underfunded. This \$705,000 is urgently needed to begin to fulfill the intent of the Horse Protection Act – to eliminate the cruel practice of soring – by allowing the USDA to strengthen its enforcement capabilities for this law.

In 1970, Congress passed the Horse Protection Act to end soring, the intentional infliction of pain to the hooves and legs of a horse to produce an exaggerated gait, practiced primarily in the “big lick” segment of the Tennessee Walking Horse show industry.

Caustic chemicals – such as mustard oil, diesel fuel, and kerosene – are painted on the lower front legs of the horse, then the legs are wrapped for days in plastic wrap and bandages to “cook” the chemicals deep into the horse’s flesh. This makes the horse’s legs extremely painful and sensitive, and when ridden, the horse is fitted with chains that slide up and down the horse’s sore legs, forcing him to produce an exaggerated, high-stepping gait in the show ring. Additional tactics include inserting foreign objects such as hard acrylic between a heavy stacked shoe and the horse’s hoof; pressure shoeing – cutting a horse’s hoof down to the sensitive live tissue to cause extreme pain every time the horse bears weight on the hoof; and applying painful chemicals such as salicylic acid to slough off scarred tissue, in an attempt to remove evidence of soring.

The Horse Protection Act authorizes the USDA to inspect horses, including the three specific breeds known to be involved in soring – Tennessee Walking Horses, Racking Horses, and Spotted Saddle Horses – in transport to and at shows, exhibits, auctions and sales – for signs of soring, and to pursue penalties against violators. Unfortunately, since its inception, enforcement of the Act has been plagued by underfunding. As a result, the USDA has never been able to adequately enforce the Act, allowing this extreme and deliberate cruelty to persist on a widespread basis.

To eliminate soring and meet the goals of the Act, USDA officials must be present at more shows. However, limited funds allow USDA attendance at less than 20% of the

approximately 400 Tennessee Walking Horse shows held annually. So the Agency set up an industry-run system of certified Horse Industry Organization (HIO) inspection programs, which are charged with inspecting horses for signs of soring at the majority of shows. These groups license examiners known as Designated Qualified Persons (DQPs) to conduct inspections. To perform this function, some of these organizations hire industry insiders who have an obvious stake in preserving the status quo. Statistics clearly show that when USDA inspectors are in attendance to oversee shows affiliated with these organizations, the numbers of noted violations are many times higher than at shows where industry inspectors alone are conducting the inspections. By all measures, the overall DQP program as a whole has been a failure – the only remedy is to abolish the conflicted industry-run inspection programs charged with self-regulation and have USDA oversee a legitimate inspection program.

USDA appears to have attempted to step up its enforcement efforts in recent years, and has begun to work with the Department of Justice in prosecuting criminal cases as provided for under the Act. In 2011, a federal prosecutor sought the first-ever criminal indictments under the Act and as a result, a well-known, winning trainer in the Spotted Saddle Horse industry served a prison sentence of over one year. A former Walking Horse Trainers' Association Trainer of the Year and winner of the Tennessee Walking Horse World Grand Championship, Jackie McConnell, was indicted in 2012 on 52 counts (18 of them felony) of violating the Act and pleaded guilty to felony conspiracy to violate the Act. He was sentenced to three years of probation and a \$75,000 fine in federal court. In 2013, another Tennessee trainer, Larry Wheelon, and three of his employees were indicted on 19 counts of aggravated animal cruelty charges under state law in a case flowing from a USDA Office of Inspector General investigation. While Wheelon's case was dismissed on a technicality, evidence of soring in his barn was plentiful and horrifying.

These are significant actions that should have a deterrent effect, but there are many other violators who go undetected and many cases that go unprosecuted due to a lack of resources. USDA needs enhanced resources to carry out its responsibilities under this Act as Congress, and the public, expects.

In years past, inspections were limited to physical observation and palpation by the inspector. Protocols for the use of new technologies, such as thermography and "sniffer" devices (gas chromatography/mass spectrometry – or GC/MS - machines), have been implemented, which can help inspectors identify soring more effectively and objectively. The results of USDA's recent GC/MS testing for prohibited foreign substances used by violators on the legs of horses (either to sore them, or to mask underlying soring and evade detection by inspectors) are staggering: 175 of the 200 random samples (87.5%) taken by the USDA at the industry's pinnacle event – the 2015 Tennessee Walking Horse National Celebration – tested positive for illegal foreign substances including soring, masking, and numbing agents.

Effective though this inspection protocol may be, due to budget constraints, USDA has been unable to purchase and put enough of this testing into use in the field, allowing for industry players to continually evade detection. In 2015 and 2014, USDA was able to afford to collect and test samples at only 11 of the Big Lick industry's largest shows; in 2013, only 17; and in

2012, only 24. With increased funding, the USDA could purchase more equipment and dispatch more inspectors to use it properly, greatly increasing its ability to enforce the HPA.

Currently, when USDA inspectors arrive at shows affiliated with some industry organizations, many of the exhibitors load up and leave to avoid being caught with sored horses. While USDA could stop these trailers on the way out, Agency officials have stated that inspectors are wary of going outside of their designated inspection area, for fear of harassment and physical violence from exhibitors. Armed security is frequently utilized in the designated area to allow such inspections, at additional expense to this program. The fact that exhibitors feel they can intimidate government officials without penalty is a testament to the inherent shortcomings of the current system.

Lack of a consistent presence by USDA officials at events featuring Tennessee Walking Horses, Racking Horses, and Spotted Saddle Horses has fostered a cavalier attitude among industry insiders, who have not stopped their abuse, but have only become more clandestine in their soring methods. The continued use of soring to gain an advantage in the show ring has tainted this segment of the horse industry, and creates an unfair advantage for those who are willing to break the law in pursuit of victory. Besides the indefensible suffering of the animals themselves, the continued acceptance of sored horses in the show ring prevents those with sound horses from competing fairly for prizes, breeding fees and other financial incentives, while those horse owners whose horses are sored may unwittingly suffer property damage and be duped into believing that their now abused, damaged horses are naturally superior.

The egregious cruelty of soring is not only a concern for horse industry and animal protection organizations, but also for veterinarians. In 2008, the American Association of Equine Practitioners (AAEP) issued a white paper condemning soring, calling it “one of the most significant welfare issues faced by the equine industry.” It called for the abolition of the DQP Program, saying “the acknowledged conflicts of interest which involve many of them cannot be reasonably resolved, and these individuals should be excluded from the regulatory process.” The AAEP further stated, “The failure of the HPA to eliminate the practice of soring can be traced to the woefully inadequate annual budget... allocated to the USDA to enforce these rules and regulations.”

The USDA Office of Inspector General conducted an audit of the Horse Protection Program, and issued its final report in September of 2010. The report recommends the abolition of the DQP program, and an increase in funding for APHIS enforcement of the Horse Protection Act. The Agency concurred with the findings and recommendations in the report, specifically Recommendation 2: “Seeking the necessary funding from Congress to adequately oversee the Horse Protection Program,” indicating that it would develop a budgeting and staffing plan to phase in the resources needed to adequately oversee the Horse Protection Program.

It is unacceptable that more than 40 years after passage of the Horse Protection Act, the USDA still lacks the resources needed to end this extreme form of abuse. It is time for Congress to give our public servants charged with enforcing this Act the support and resources they want and need to fulfill their duty to protect these horses as effectively and safely as possible.

We appreciate the opportunity to share our views about this serious problem, and thank you for your consideration of our request.

Sincerely,

Keith Dane, Senior Advisor, Equine Protection  
The Humane Society of the United States

Former U.S. Senator Joseph Tydings  
Original sponsor of the Horse Protection Act

Teresa Bippen, President  
Friends of Sound Horses, Inc.

W. Ron DeHaven, DVM MBA  
Executive Vice President  
American Veterinary Medical Association

Kathleen Anderson, DVM, President  
American Association of Equine Practitioners

Chris Heyde, Deputy Director, Government and Legal Affairs  
Animal Welfare Institute

Nancy Perry, Senior Vice President, Government Relations  
American Society for the Prevention of Cruelty to Animals (ASPCA)

Robin Lohnes, Executive Director  
American Horse Protection Association

Donna Benefield, Vice President  
International Walking Horse Association

Angie Biddison, President  
Plantation Walking Horses of Maryland

Jayne Clark, President  
National Plantation Walking Horse Association

Susan Crotty, President  
Plantation Walking Horse Association of California

Ian Walker, President  
United Pleasure Walking Horse Association



Lucy Rangel, President  
Gaitway Walking Horse Association, Inc.

Bonnie Yeager, President  
International Pleasure Walking Horse Registry

Penny Austin, President  
One Horse At a Time, Inc. Horse Rescue

Kristin Herman, M.D., Vice President  
Northern California Walking Horse Association

Raydene Walker  
Tennessee Walking Horse Association of Oklahoma

Wayne Eastman, President  
New York State Plantation Walking Horse Club

Libby Wright  
San Francisco Bay Area Tennessee Walking Horse Club

Burl Latshaw, President  
Pennsylvania Pleasure Walking Horse Association

David Green, Director  
Tennessee Walking Horse Exhibitors' Association of Oregon

House Committee on Appropriations  
 Subcommittee on Agriculture, Rural Development, FDA, and Related Agencies  
 Outside Witness Testimony on the FY 2017 Budget submitted by  
 Mimi Brody, Director of Federal Affairs, The Humane Society of the United States

We appreciate the opportunity to provide testimony on FY 2017 funding for the following USDA accounts of great importance to The Humane Society of the United States:

- FSIS/Horse Slaughter – language mirroring FY16 omnibus provision
- APHIS/Animal Welfare Act Enforcement – \$28,696,000
- APHIS/Horse Protection Act Enforcement – \$705,000
- ARS/Animal Welfare for Farm Animals Used in Agricultural Research – language maintaining APHIS inspections of ARS facilities to ensure AWA compliance, including fully functioning IACUCs for each facility at which animal research is conducted
- APHIS/Investigative and Enforcement Services – \$16,410,000
- FSIS/Humane Methods of Slaughter Act Enforcement – language to ensure compliance with humane handling rules for live animals as they arrive and are offloaded and handled in pens, chutes, and stunning areas; robust national training in humane handling and inspection techniques; and annual program evaluation for humane handling inspections, to include document review, field staff surveys, and monitoring to assess the degree of consistency and objectivity of implementation of HMSA by all levels of inspection staff
- OIG/including Animal Fighting Enforcement – \$100,998,000
- NIFA/Veterinary Medical Services Act – \$6,500,000
- APHIS/Emergency Management Systems/Disaster Planning for Animals – \$969,000
- APHIS/Animal Welfare Act Enforcement – language to maintain bar on licensing Class B dealers of “random source” dogs and cats

At this time of intense budget pressure, we thank you for your outstanding past support for enforcement of key animal welfare laws by the U.S. Department of Agriculture, and we urge you to sustain this effort in FY17. While we understand the focus on reducing federal spending, we believe there should be room for careful decision making within the budget to achieve macro-level cuts and at the same time ensure adequate funding for specific accounts that are vital and have previously been underfunded. We therefore request the following for FY 2017:

**FSIS / Horse Slaughter**

**We request inclusion of the same language barring USDA from the expenditure of funds for horse slaughter inspections as was included in the FY16 omnibus.** This provision is vital to prevent renewed horse slaughter activity in this country, particularly in light of the scandal in the European Union where horsemeat was found in other food products. Horse slaughter is cruel and poses serious public health risks. American horses are raised to be companions, athletes and work horses, and they are often treated with drugs, both legal and illegal, that can endanger the food supply. There is currently no system in the U.S. to track drugs and veterinary treatments given to horses to ensure that their meat is safe for human consumption. In addition to the public health concerns associated with the consumption of horsemeat, horse slaughter is inherently inhumane and cannot be made humane for horses. The methods used to kill horses rarely result

in quick, painless deaths, as horses are skittish animals and often endure repeated blows to make them unconscious, sometimes remaining conscious during the slaughtering process. USDA reports show that over 92 percent of horses going to slaughter are healthy and could have gone on to lead productive lives. However, “kill buyers” profit by selling horsemeat from healthy horses that bring the best price per pound for their meat, and they frequently outbid rescue groups at auctions. Inclusion of language to bar the expenditure of funds on horse slaughter inspections would protect consumers and horses, and would prevent the needless waste of American taxpayer dollars (particularly at a time when budget pressures are so great) on a practice that 80% of the American public opposes.

### **APHIS / Animal Welfare Act (AWA) Enforcement**

**We request that you support funding of \$28,696,000 for AWA enforcement under the Animal and Plant Health Inspection Service (APHIS).** We commend the Committee for responding in recent years to the urgent need to properly fund the Animal Care division to improve its inspections of approximately 10,399 sites, including commercial breeding facilities, laboratories, zoos, circuses, and airlines, to ensure compliance with AWA standards. In May 2010, USDA’s Office of Inspector General released a report criticizing the agency’s history of lax oversight of dog breeders – finding that inhumane treatment and horrible conditions often failed to be properly documented and yielded little to no enforcement actions. While Agriculture Secretary Vilsack called for more inspections and a tougher stance on repeat offenders, the agency must have the resources to follow through on that commitment. USDA is also implementing new regulations to cover large-scale commercial dog breeders selling puppies directly to the public via the Internet and other means, and to end imports from foreign puppy mills where puppies are mass produced under inhumane conditions and forced to endure harsh long-distance transport. Animal Care is actively licensing new facilities that now require USDA regulatory oversight under the retail pet store rule. Animal Care currently maintains 112 inspectors (with 12 vacancies) who perform and oversee animal welfare compliance inspections, compared to 64 inspectors at the end of the 1990s. Animal Care also maintains cadres of species specialists (6) who support inspectors with complex regulatory compliance issues and compliance specialists (9) who support the pre-licensing process and other aspects of compliance assurance. An appropriation at the requested level would allow the agency to continue to address the concerns identified by the OIG, enforce the new rule on direct sales and the puppy import ban, and provide adequate oversight of the many licensed/registered facilities.

### **APHIS / Horse Protection Act (HPA) Enforcement**

**We request that you support funding of \$705,000 for strengthened enforcement of the Horse Protection Act (HPA).** Congress enacted the HPA in 1970 to make illegal the abusive practice of “soring,” in which unscrupulous trainers deliberately inflict pain on Tennessee Walking Horses’ hooves and legs to create an exaggerated, high-stepping gait and gain unfair competitive advantage at horse shows (e.g., applying caustic chemicals, using plastic wrap and tight bandages to “cook” those chemicals deep into the horse’s flesh for days, attaching heavy chains to strike against the sore legs and heavy, stacked horseshoes that force the horse’s legs into unnatural angles, jamming hard objects into the sensitive areas of the feet, cutting the hooves down to expose the live tissue, and using salicylic acid or other painful substances to

slough off scarred tissue or numbing agents in an attempt to disguise the sores). A report released in October 2010 by USDA's Office of Inspector General (OIG) documents significant problems with the industry self-monitoring system on which the APHIS inspection program currently relies, and calls for funding to enable the agency to more adequately oversee the law. Several horse show industry groups, animal protection groups, and the key organization of equine veterinarians have also called for funding to enable USDA to do a better job enforcing this law. With the current level of funding, Animal Care has been able to attend less than 20% of the approximately 400 Tennessee Walking Horse shows held annually. Sustained support is essential to ensure that this program doesn't lose ground now that it is finally beginning to address the need for additional inspectors, training, security (for threats of violence against inspectors), and advanced detection equipment (thermography and gas chromatography/mass spectrometry machines).

### **ARS / Animal Welfare for Farm Animals Used in Agricultural Research**

An investigation last year by the New York Times revealed shocking instances of animal mistreatment and neglect associated with experiments conducted on farm animals at the USDA Agricultural Research Service's (ARS) U.S. Meat Animal Research Center (USMARC), and repeated disregard for objections raised by the Center's own veterinary staff. The Committee responded by making five percent of the ARS budget for FY 2016 contingent on ARS updating its animal care policies and requiring that all ARS facilities at which animal research is conducted have a fully functioning Institutional Animal Care and Use Committee (IACUC) to ensure compliance with animal welfare standards and principles of scientific integrity. The Committee also provided \$400,000 to APHIS to conduct inspections consistent with the AWA at each ARS facility that uses animals in research. We appreciate that the Committee took these concerns seriously and commend the Committee for its ongoing oversight. We request a continuation in FY 2017 of that \$400,000 to APHIS (included in the request above for \$28,696,000), as well as a renewed requirement for a fully functioning IACUC at each ARS facility where animal research is conducted, along with the following bill language: "*Provided further*, That the Animal and Plant Health Inspection Service and Agricultural Research Service shall work together to ensure an effective animal welfare inspection program for ARS facilities and ensure that these facilities are in full compliance with the Animal Welfare Act."

### **APHIS / Investigative and Enforcement Services (IES)**

**We request that you support funding of \$16,410,000 for APHIS Investigative and Enforcement Services.** We appreciate the Committee's consistent support for this division, which handles many important responsibilities, including the investigation of alleged violations of federal animal welfare laws and the initiation of appropriate enforcement actions. The volume of animal welfare cases is rising significantly, and an appropriation at the requested level would enable the agency to keep pace with the additional enforcement workload.

### **FSIS / Humane Methods of Slaughter Act (HMSA) Enforcement**

**We request language to ensure strengthened HMSA enforcement.** We appreciate the committee's inclusion of language in the FY 2016 committee report regarding humane

slaughter. USDA oversight of humane handling rules for animals at slaughter facilities is vitally important not only for animal welfare but also for food safety. Effective day-to-day enforcement can prevent abuses like those previously documented in undercover investigations, and reduce the chance of associated food safety risks and costly recalls of meat and egg products. We therefore urge inclusion of language directing FSIS to ensure that inspectors hired with funding previously specified for HMSA enforcement focus their attention on overseeing compliance with humane handling rules for live animals as they arrive and are offloaded and handled in pens, chutes, and stunning areas, and that all inspectors receive robust national training in humane handling and inspection techniques. In addition, past OIG and Government Accountability Office (GAO) audits have revealed inconsistent enforcement and documentation, and recommended that USDA develop more objective criteria and metrics for determining HMSA enforcement actions. We therefore also request that the agency develop an annual program evaluation for its humane handling inspections program that includes document review, field staff surveys, and monitoring to assess the degree of consistency and objectivity of implementation of the HMSA by all levels of inspection staff.

### **OIG / Animal Fighting Enforcement**

**We request that you support funding of \$100,998,000 for the Office of Inspector General to maintain staff, improve effectiveness, and allow investigations in various areas, including enforcement of animal fighting laws.** We appreciate the Committee's inclusion of funding and language in recent years for USDA's OIG to focus on animal fighting cases. Congress first prohibited most interstate and foreign commerce of animals for fighting in 1976, established felony penalties in 2007, and strengthened the law as part of the Farm Bills enacted in 2002, 2008, and 2014. We are pleased that USDA is taking seriously its responsibility to enforce this law, working with state and local agencies to complement their efforts and address these barbaric practices, in which animals are drugged to heighten their aggression and forced to keep fighting even after they've suffered grievous injuries. Dogs bred and trained to fight endanger public safety, and some dogfighters steal pets to use as bait for training their dogs. Cockfighting was linked to an outbreak of Exotic Newcastle Disease in 2002-2003 that cost taxpayers more than \$200 million to contain. It's also been linked to the death of a number of people in Asia reportedly exposed through cockfighting activity to bird flu. Given the potential for further costly disease transmission, as well as the animal cruelty involved, we believe it is a sound investment for the federal government to increase its efforts to combat illegal animal fighting activity. We also support the OIG's auditing and investigative work to improve compliance with the AWA, HPA, HMSA and downed animal rules.

### **NIFA / Veterinary Medical Services Act**

**We request that you support funding of \$6,500,000 to continue the implementation of the National Veterinary Medical Service Act (P.L. 108-161).** We appreciate that Congress is working to address the critical maldistribution of veterinarians practicing in rural and inner-city areas, as well as in government positions at FSIS and APHIS. A 2009 GAO report identified that an inadequate number of veterinarians to meet national needs is among the foremost challenges facing veterinary medicine. Having adequate veterinary care is a core animal welfare concern. To ensure adequate oversight of humane handling and food safety rules, as well as our

nation's defense against bioterrorism (the Centers for Disease Control estimates that 75% of potential bioterrorism agents are zoonotic – transmitted from animals to humans) and public health problems such as those associated with pet overpopulation, parasites, rabies, chronic wasting disease, and bovine spongiform encephalopathy ("mad cow" disease), USDA must be able to fill vacancies in its veterinary positions. Educational debt has more than doubled since 2003 when Congress authorized this program. Veterinary school graduates face a crushing debt burden of \$135,000 on average (for 88 percent of them, the burden averages \$170,000), with an average starting salary of just \$70,000. Nearly 1,000 veterinarians have applied for assistance under this program since 2010; at current funding levels, fewer than 60 awards can be made each year. We also support the Veterinary Services Grant Program authorized in the 2014 Farm Bill to help address gaps in veterinary shortage situations by preparing veterinarians for rural practice.

#### **APHIS / Emergency Management Systems / Disaster Planning for Animals**

**We request that you support funding of \$969,000 for Animal Care under APHIS' Emergency Management Systems line item.** Hurricanes Katrina and Rita demonstrated that many people refuse to evacuate if they are forced to leave their pets behind. The Animal Care division develops infrastructure to help prepare for and respond to animal issues in a disaster and incorporate lessons learned from previous disasters. These funds are used to support state and local governments' efforts to plan for protection of people with animals, and to enable the agency to participate, in partnership with FEMA, in the National Response Plan without jeopardizing other Animal Care programs.

#### **APHIS / Animal Welfare Act Enforcement / Class B Dealers**

**We request language to maintain the bar on expenditures for licensing of Class B dealers who sell "random source" dogs and cats for use in research, teaching, or testing.** We commend the Committee for including language to protect pet owners and animals from Class B dealers who sell "random source" dogs and cats for use in research and are notorious for subjecting animals to shocking cruelty and using fraudulent means (including pet theft) to acquire them. This language also protects taxpayers, since overseeing Class B dealers has been an unjustifiable drain on USDA resources and the National Academy of Sciences determined that there is no scientific need for these dealers. We urge inclusion of the following language: "None of the funds made available by this Act may be used to carry out any activities or incur any expense related to the issuance of licenses under section 3 of the Animal Welfare Act (7 U.S.C. 2133), or the renewal of such licenses, to class B dealers who sell random source dogs and cats for use in research, experiments, teaching, or testing. Nothing in this provision, however, should be construed as preventing the Department from carrying out all necessary oversight, inspection, compliance, and enforcement activities with respect to any entity holding a valid class B license who sells random source dogs and cats for use in research, experiments, teaching, or testing, or with respect to any entity doing so without a license as required under 7 U.S.C. 2133."

We are very grateful for the Committee's past support, and hope you will be able to accommodate these modest requests to address some very pressing problems affecting millions of animals in the United States. Thank you for your consideration.

March 3, 2016

The Honorable Robert Aderholt  
Chairman, Subcommittee on Agriculture, Rural  
Development, Food and Drug Administration, and  
Related Agencies  
Committee on Appropriations  
United States House of Representatives  
Capitol Building, H-305  
Washington, D.C. 20515-3801

The Honorable Sam Farr  
Ranking Member, Subcommittee on Agriculture,  
Rural Development, Food and Drug Administration,  
and Related Agencies  
Committee on Appropriations  
United States House of Representatives  
Longworth House Office Building, 1016  
Washington, D.C. 20515-6157

Dear Chairman Aderholt and Ranking Member Farr:

The undersigned organizations support sustained funding for the Food for Peace (P.L. 480) and Food for Progress international food aid programs and oppose proposals to reduce funding or to shift these resources to overseas commodity procurement and cash assistance. These bedrock food aid programs have enjoyed strong bipartisan support for over 60 years because they share America's agricultural bounty with those who need it most.

Our food aid programs have constantly evolved and improved over the years. They provide well-honed and dependable systems for identifying the appropriate commodities for targeted populations, and for procuring and shipping these commodities through an aid pipeline that is second to none. The transparency, accountability, and reliability of this system are the result of decades of cooperation through a uniquely sustainable public-private partnership among tens of thousands of committed Americans at faith-based and other non-governmental organizations, and in agriculture, labor, industry, and government.

Growing, manufacturing, bagging, and shipping nutritious U.S.-grown food creates jobs and economic activity here at home, provides crucial cargo for our U.S. Merchant Marine, which is essential to our national defense sealift capability, and sustains a robust domestic constituency for these programs not easily replicated in alternative foreign aid programs. Overseas, Food for Peace has an established track record of preventing childhood starvation and providing life-saving tools that families need to work their way out of the most dire poverty. Food for Progress fights hunger by promoting free enterprise in emerging democracies through development of the agricultural sector. Both of those programs are proven methods for tackling food insecurity head-on with concrete results.

In addition to feeding the hungry and facilitating developmental programs to end the cycle of hunger, U.S. food aid programs are also some of our most effective, lowest-cost national security and diplomatic tools. Bags of U.S.-grown food bearing the U.S. flag and stamped as "From the American People" serve as ambassadors of our Nation's goodwill, which can help to address the root causes of instability. In a time of growing global food insecurity and extremism, these programs need to be expanded, not eliminated or slashed to fund dubious proposals.

We therefore oppose shifting food aid resources to overseas commodity procurement and cash assistance, and strongly encourage sustained funding for Food for Peace and Food for Progress, preserving the unique qualities that have made them the world's most successful, most dependable humanitarian assistance programs.

Sincerely,

American Association of Port Authorities  
 American Great Lakes Ports Association  
 American Maritime Congress  
 American Maritime Officers  
 American Maritime Officers' Service  
 American Soybean Association  
 APL Limited  
 Central Gulf Lines, Inc.  
 Euro-America Shipping & Trade, Inc.  
 Hapag-Lloyd USA, LLC  
 Intermarine, LLC  
 International Organization of Masters,  
   Mates & Pilots  
 Liberty Maritime Corporation  
 Maersk Line, Ltd.  
 Marine Engineers' Beneficial Association  
 Maritime Institute for Research and  
   Industrial Development  
 National Association of Wheat Growers  
 National Barley Growers Association  
 National Corn Growers Association

National Council of Farmer Cooperatives  
 National Potato Council  
 National Sorghum Producers  
 Navy League of the United States  
 North American Millers' Association  
 Potomac Maritime, LLC  
 Potomac Shipping International, LLC  
 Sailors' Union of the Pacific  
 Schuyler Line Navigation Company, LLC  
 Seafarers International Union  
 Teras Cargo Transport (America), LLC  
 Transfer Logistics LLC  
 Transportation Institute  
 US Dry Bean Council  
 US Rice Producers Association  
 USA Dry Pea and Lentil Council  
 USA Maritime  
 USA Rice  
 Virginia Port Authority  
 Waterman Steamship Corporation

cc:     Members of the Subcommittee





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202/326-5800 [www.ici.org](http://www.ici.org)

**STATEMENT OF THE INVESTMENT COMPANY INSTITUTE  
ON THE U.S. COMMODITY FUTURES TRADING COMMISSION'S  
APPROPRIATIONS FOR FISCAL YEAR 2017**

**Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives**

**March 14, 2016**

Members of the Investment Company Institute<sup>1</sup>—mutual funds and other registered investment companies (“registered funds”)—are the investment vehicles of choice for millions of Americans seeking to buy a home, pay for college, or plan for financial security in retirement. To help shareholders achieve their investment objectives, registered funds may use futures, options and swaps in a variety of ways. Like other participants in the derivatives markets, ICI members have a keen interest in ensuring effective and appropriate oversight of those markets by the Commodity Futures Trading Commission (“CFTC”).

The President has requested a budget for the CFTC for fiscal year 2017 of \$330 million, an increase of \$80 million over the fiscal year 2016 enacted level.<sup>2</sup> CFTC Chairman Massad has explained that the CFTC “does not have the resources to fulfill our new responsibilities as well as all the responsibilities it had – and still has – prior to the passage of [the Dodd-Frank Act] in a way that most Americans would expect.”<sup>3</sup>

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<sup>1</sup> The Investment Company Institute (ICI) is a leading, global association of regulated funds, including mutual funds, exchange-traded funds (ETFs), closed-end funds, and unit investment trusts (UITs) in the United States, and similar funds offered to investors in jurisdictions worldwide. ICI seeks to encourage adherence to high ethical standards, promote public understanding, and otherwise advance the interests of funds, their shareholders, directors, and advisers. ICI's U.S. fund members manage total assets of \$16.9 trillion and serve more than 90 million U.S. shareholders.

<sup>2</sup> Testimony of Chairman Timothy Massad before the U.S. House Appropriations Committee, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies (Feb. 10, 2016), *available at* <http://www.cftc.gov/PressRoom/SpeechesTestimony/opamassad-42#SpTeMBL>.

<sup>3</sup> Testimony of Chairman Timothy G. Massad before the U.S. Senate Committee on Agriculture, Nutrition & Forestry (May 14, 2015), *available at* <http://www.cftc.gov/PressRoom/SpeechesTestimony/opamassad-22>.

Despite these resource concerns, which the Chairman and his predecessors have expressed repeatedly since the passage of the Dodd-Frank Act,<sup>4</sup> the CFTC determined in 2012 to further expand its oversight responsibilities as part of a rulemaking that was not mandated (or even contemplated) by the Dodd-Frank Act. This rulemaking, amending CFTC Rule 4.5 under the Commodity Exchange Act (“CEA”), has required many registered fund advisers to register with the CFTC as commodity pool operators (“CPOs”), even though some of them do not offer funds that remotely resemble, or compete with, traditional commodity pools. CFTC regulation of these registered fund advisers as CPOs has further strained the CFTC’s limited resources, as well as the resources of the National Futures Association (“NFA”), which serves as the frontline regulator for CPOs.

We therefore strongly support Section 319 of H.R. 2289, the Commodity End-User Relief Act, which passed the House on June 9, 2015. Section 319 exempts registered fund advisers from having to register with the CFTC as CPOs if their funds invest in commodity interests limited to “financial commodities,” *e.g.*, S&P 500 swaps and other securities-like derivatives, and do not invest in traditional commodities, such as natural resource and agricultural commodities.

### *Background on CFTC Rule 4.5*

In February 2012, the CFTC voted to significantly narrow the exclusion from CPO regulation in Rule 4.5 under the CEA as it relates to registered funds and rescind an exemption from CPO registration that previously was available to sponsors of private investment funds. During the public comment period, ICI and many other stakeholders warned the agency that its proposals were overbroad, and offered a myriad of recommendations for tailoring the rules to achieve the CFTC’s stated regulatory objectives without placing undue burdens on registered and private funds and their sponsors/advisers, as well as on the CFTC’s limited resources. Unfortunately, the CFTC proceeded to adopt the rules largely as proposed. As anticipated by commenters, these rule changes have had significant implications for many asset management firms—in addition to the many new obligations imposed on these firms by the Dodd-Frank Act. Indeed, we understand that almost 700 additional firms, which collectively operate thousands of registered and private funds, have now registered as CPOs.<sup>5</sup> Many more firms may be required

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<sup>4</sup> See, *e.g.*, Testimony of Chairman Timothy G. Massad before the U.S. House Appropriations Committee, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies (Feb. 11, 2015), available at <http://www.cftc.gov/PressRoom/SpeechesTestimony/opamassad-10> (explaining that the CFTC’s budget is “not at a level that is commensurate with the responsibilities Congress has assigned. . . .” and that “[t]he Commission’s responsibilities were substantially increased by the [Dodd-Frank Act]. . . .”); Testimony of Acting Chairman Mark P. Wetjen Before the U.S. House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies (March 6, 2014), available at <http://www.cftc.gov/PressRoom/SpeechesTestimony/opawetjen-6> (stating that the agency’s funding is insufficient for it to “adequately fulfill the mission given to it by Congress . . .”); Chairman Gary Gensler, Chairman’s Letter, President’s Budget and Performance Plan for Fiscal Year 2013, dated February 13, 2012, available at <http://www.cftc.gov/PressRoom/SpeechesTestimony/genslerstatement021312a> (requesting an increase of more than 50% in the CFTC’s appropriation on the basis that the agency needed additional resources to meet its “expanded mission and scope.”).

<sup>5</sup> In addition, many firms have registered as commodity trading advisors as a result of the CFTC’s rule changes.

to register in the future.<sup>6</sup> Unfortunately, most of the costs imposed by this additional regulation are, or will be, indirectly borne by fund shareholders.

These changes were not mandated by the Dodd-Frank Act, although the CFTC attempted to link them to the Act by describing them as being “consistent with the tenor” of that Act.<sup>7</sup> Their promulgation has required ICI members and other stakeholders to expend significant time and resources on complying with the amended Rule 4.5 exclusion or, if they were unable to rely on the exclusion, registering as a CPO and complying with the applicable requirements.<sup>8</sup>

ICI, both individually and jointly with other trade associations, has submitted more than 20 requests to the CFTC and NFA for clarification, confirmation, and interpretive or no-action relief necessary to facilitate compliance as a result of the amended rule. Many of these requests remain unanswered, months or even years after their submission. The registered fund industry is characterized by a strong culture of compliance, and the uncertainty created by these outstanding requests has made it unnecessarily challenging and costly for registered funds and their advisers to navigate their compliance obligations under CFTC regulations.

#### *ICI's Primary Concerns with the Amendments to Rule 4.5*

Rule 4.5 excludes certain “otherwise regulated entities” from CPO registration. From the rule’s adoption in 1985 until passage of the 2012 amendments, all such entities—registered funds, insurance company separate accounts, bank trust and custodial accounts, and retirement plans subject to ERISA fiduciary rules—were accorded equal treatment. Following the amendments, registered funds alone were obligated to comply with certain trading and marketing conditions in order to rely on the Rule 4.5 exclusion. If a registered fund is unable to satisfy these conditions, its adviser must register as a CPO.

Mutual funds and other types of registered funds are extensively regulated. They are the only financial institutions that are subject to all of the four major federal securities laws.<sup>9</sup> It bears emphasizing that the Securities and Exchange Commission (“SEC”) regulates registered funds as investment vehicles, and not simply as participants in the securities markets; for this reason, SEC regulation of registered funds extends to their holdings in derivatives.<sup>10</sup> In fact, the

<sup>6</sup> The CFTC staff has provided temporary registration relief for operators of “funds of funds,” which the staff has defined very broadly. See CFTC No-Action Letter No. 12-38 (Nov. 29, 2012). Over 900 firms have relied on that relief to date with respect to 6,500 funds, and many of those firms may have to register as CPOs in the absence of adequate future relief.

<sup>7</sup> See, e.g., *Commodity Pool Operators and Commodity Trading Advisors: Compliance Obligations*, 77 Fed. Reg. 11252, 11253 (Feb. 24, 2012) (adopting release).

<sup>8</sup> The amendments impose upon virtually all registered fund advisers that are not currently required to register as CPOs the burden of continually monitoring their funds’ portfolio composition, trading, and marketing activities to ensure that their registration status does not change.

<sup>9</sup> The Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, and the Investment Advisers Act of 1940.

<sup>10</sup> Among other things, the SEC limits the ability of registered funds to create risk through leverage, including through use of derivatives; expects the registered fund’s board to evaluate whether the fund’s adviser has the capacity to measure and monitor the fund’s risk exposure from use of derivatives; requires public disclosure that extends to

SEC recently proposed a rule that addresses registered funds' use of derivatives,<sup>11</sup> as well as a rule that addresses funds' disclosure of their derivatives holdings.<sup>12</sup> In addition, key CFTC rules already govern registered funds when they trade in the commodity markets. These include, for example, the anti-manipulation provisions of the CEA,<sup>13</sup> the CFTC's "large trader" reporting rules,<sup>14</sup> as well as the swap data reporting rules required by the Dodd-Frank Act.<sup>15</sup>

In promulgating the amendments to Rule 4.5, the CFTC stated that it was targeting "de facto" commodity pools. Regrettably, the CFTC made no effort to determine whether its own oversight would complement, conflict with, or merely duplicate, the SEC regime. Nor did the CFTC assess its *own* reporting requirements that already apply to registered funds that trade in the derivatives markets.

In August 2013, approximately eighteen months after adopting the Rule 4.5 amendments, the CFTC finalized a related rulemaking to "harmonize" its requirements with those of the SEC. In contrast to the original proposal, the final rule acknowledges the robustness of the SEC regulatory regime for registered funds by largely instituting a regime of "substituted compliance"—that is, registered fund advisers subject to the CFTC's jurisdiction are largely exempted from its compliance rules on the basis that adherence to the SEC's rules generally "should provide market participants and the public with meaningful disclosure ... provide the [CFTC] with information necessary to its oversight ... and ensure that [registered fund advisers] maintain appropriate records regarding their operations."<sup>16</sup> Regrettably, however, the CFTC's harmonization rulemaking did not provide relief with respect to several key substantive areas in which registered fund CPOs remain subject to costly duplicative regulation.<sup>17</sup>

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investments in derivatives; and requires periodic disclosure of a registered fund's portfolio holdings, including all open derivatives positions. See, e.g., Section 18 of the Investment Company Act; *Disclosure and Compliance Matters for Investment Company Registrants That Invest in Commodity Interests*, IM Guidance Update No. 2013-05 (Aug. 2013), available at [www.sec.gov/divisions/investment/guidance/im-guidance-2013-05.pdf](http://www.sec.gov/divisions/investment/guidance/im-guidance-2013-05.pdf); Rules 30b1-5 and 30e-1 under the Investment Company Act; Item 27 of SEC Form N-1A (referencing Regulation S-X).

<sup>11</sup> See *Use of Derivatives by Registered Investment Companies and Business Development Companies*, 80 Fed. Reg. 80884 (Dec. 28, 2015).

<sup>12</sup> See *Investment Company Reporting Modernization*, 80 Fed. Reg. 33590 (June 12, 2015).

<sup>13</sup> See Sections 6(c) and 9(a)(2) of the CEA.

<sup>14</sup> 17 C.F.R. Parts 15-21 (market and large trader reporting rules).

<sup>15</sup> See *Swap Data Recordkeeping and Reporting Requirements*, 77 Fed. Reg. 2136 (Jan. 13, 2012); *Real Time Public Reporting of Swap Transaction Data*, 77 Fed. Reg. 1182 (Jan. 9, 2012).

<sup>16</sup> See *Harmonization of Compliance Obligations for Registered Investment Companies Required to Register as Commodity Pool Operators*, 78 Fed. Reg. 52308, 52310 (Aug. 22, 2013).

<sup>17</sup> These areas include, among others, regulatory reporting, recordkeeping, and regulation of certain fund transactions.

*ICI's Support for Section 319 of the Commodity End-User Relief Act*

Section 319 of the Commodity End-User Relief Act addresses these concerns in a manner that is consistent with the CFTC's stated intent in adopting the Rule 4.5 amendments. Section 319 continues to provide the CFTC with concurrent jurisdiction over advisers of those registered funds that resemble or compete with traditional commodity pools, such as a registered fund that offers a managed futures strategy or seeks exposure to the physical commodities markets. At the same time, it restores to exclusive SEC jurisdiction advisers to those funds that invest in only financial derivatives (*e.g.*, an S&P 500 swap).

Furthermore, Section 319 reduces the unnecessary regulation and costs created by the CFTC's rulemaking without undermining investor protection. All registered funds and their advisers will remain comprehensively regulated by the SEC, including regulations that govern the funds' derivatives holdings. In addition, key CFTC rules will continue to govern registered funds whenever they trade in commodity interests. Importantly, Section 319 will not in any way alter the CFTC's existing authority over all commodity interests, but only will end duplicative and unnecessary regulation of registered funds except those that invest in traditional commodities (*e.g.*, natural resource and agricultural commodities).

**Conclusion**

The CFTC's amendments to Rule 4.5 require the CFTC to devote significant time and resources to oversee certain registered funds and their advisers, an effort that duplicates oversight efforts of the SEC. This duplication is particularly acute given the CFTC's embrace of a "substituted compliance" regime for registered funds in its final harmonization rule. In our judgment, the CFTC did not demonstrate, nor could it demonstrate, that the great expansion of its regulatory activities through amended Rule 4.5 produced any meaningful benefit to fund shareholders or protections for the markets. Instead, fund shareholders largely bear the costs of this duplicative and unnecessary regulation. Section 319 of H.R. 2289, the Commodity End-User Relief Act, addresses these concerns by reducing the unnecessary regulation and costs created by the CFTC's rulemaking without undermining investor protection.

**WRITTEN TESTIMONY ON FY 2017 APPROPRIATIONS  
UNITED STATES HOUSE OF REPRESENTATIVES APPROPRIATIONS COMMITTEE  
SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT, FDA & RELATED AGENCIES  
MARCH 15, 2016**

**CONTACT:**

John Sisser, Conservation Associate  
Izaak Walton League of America

The Izaak Walton League of America thanks the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the opportunity to submit testimony regarding Fiscal Year (FY) 2017 appropriations. With 43,000 members in nearly 240 chapters nationwide, the League is one of the most established conservation organizations in the United States. Our membership recognizes the important role of conservation initiatives in maintaining and enhancing both the environmental integrity and economic viability of agricultural landscapes. Securing full mandatory funding for Farm Bill conservation programs in FY 2017 is an appropriations priority for the League. Additionally, a modest increase in discretionary technical assistance funding for the Natural Resources Conservation Service (NRCS) is essential to meet the demand from producers who voluntarily seek to incorporate conservation planning on their farms and ranches. **Therefore, we urge the Subcommittee to support full mandatory conservation program funding in the FY 2017 appropriations cycle, and support the President's budget request to fund Conservation Technical Assistance (CTA), part of the Private Lands Conservation Operations account, at \$761.7 million.**

*Mandatory Conservation Program Funding*

The 2014 Farm Bill provides mandatory funding for critical existing conservation programs—including the Conservation Stewardship Program (CSP) and Environmental Quality

Incentives Program (EQIP)—as well as new conservation initiatives, such as the Regional Conservation Partnership Program (RCPP) and Agricultural Conservation Easement Program (ACEP). These programs offer essential opportunities for farmers and ranchers to voluntarily implement valuable conservation practices on their land with financial and technical assistance. However, the funding levels set in the most recent Farm Bill amount to \$6 billion in cuts to conservation programs when accounting for sequestration<sup>1</sup>, making it impossible for these programs to meet the demand from the many farmers.

Shortly after these reduced funding levels were agreed to in the Farm Bill, the FY 2015 appropriations cycle cut nearly \$600 million more from programs like CSP and EQIP through direct funding and acreage reductions<sup>2</sup>. Both programs serve as covered programs for RCPP, meaning these cuts effectively reduced funding for this popular, innovative program early in its implementation. While the League was encouraged that cuts were not made to CSP in FY 2016, the substantial \$321 million cut to EQIP will further limit access to conservation funding for producers and, in turn, reduce the environmental benefits delivered to the American public.

For the first time in recent memory, the President's FY 2017 budget proposes no cuts to Farm Bill conservation programs<sup>3</sup>. We urge the Subcommittee to follow suit and support full funding for these programs. Changes in mandatory program spending (CHIMPS) have become all too common, with disproportionate impacts on the Farm Bill's Conservation Title<sup>4</sup>. The more

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<sup>1</sup> National Sustainable Agriculture Coalition, *2014 Farm Bill Drill Down: The Bill by the Numbers*, published February 4, 2014. <http://sustainableagriculture.net/blog/2014-farm-bill-by-numbers/>

<sup>2</sup> National Sustainable Agriculture Coalition, *Final Budget Bill Guts Conservation Funding and Farming Protections*, published December 11, 2014. <http://sustainableagriculture.net/blog/fy15-final-cromnibus/>

<sup>3</sup> Izaak Walton League of America, *President's Budget Fully Funds Agriculture Conservation Programs*, published February 9, 2016. <http://www.iwla.org/news-events/news/2016/02/10/budget-fully-funds-agriculture-conservation-programs>

<sup>4</sup> From FY 2003-2010, over 50 percent of all farm bill CHIMPS targeted the Conservation Title. Between FY 2007-2010, that number increased to 83 percent. National Sustainable Agriculture Coalition report using Jim Monke and Megan Stubbs, *Reductions in Mandatory Agriculture Program Spending*, CRS Report for Congress (Congressional Research Service, May 19, 2010).

than five billion dollars cut from conservation programs since the 2002 Farm Bill<sup>5</sup> have had real consequences for farmers interested in protecting natural resources on their land. This is money that could help producers take voluntary actions to improve wildlife habitat. It is money that could help farmers install buffer strips along rivers and streams, protecting water quality for rural residents and downstream municipalities. And it is money that could promote soil health practices, such as cover crops, that improve the long-term productivity of our nation's agricultural lands—productivity that will be essential to feeding a growing population and supporting rural economies.

### *Conservation Technical Assistance Funding*

Farmers developing conservation plans for their operations rely on assistance from NRCS staff. Funding for this technical assistance comes from the CTA portion of the Conservation Operations account and also supports implementation of the Farm Bill conservation programs. The President's FY 2017 budget proposes a modest increase in CTA funding, setting aside \$761.7 million for this critical agency function.

Providing landowners with technical assistance to develop and implement conservation plans promotes efficiency by helping producers tailor best management practices to meet their needs, fit their property, and address specific resource concerns. It is estimated that the proposed increase in CTA funding will put an additional 8,300 conservation plans on as many as 2.9 million additional acres<sup>6</sup>. The League strongly supports this much needed increase in discretionary spending for CTA.

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<sup>5</sup> National Sustainable Agriculture Coalition comparing budget authority to appropriations bills

<sup>6</sup> Office of Budget and Program Analysis, USDA. *2017 President's Budget, Natural Resources Conservation Service*. <http://www.obpa.usda.gov/27nrcs2017notes.pdf>



Farm Bill conservation programs are delivering tremendous benefits, but have yet to reach their full potential due to consistent and excessive cuts. **In FY 2017, the League urges the Subcommittee to support full mandatory funding levels for conservation programs, honoring the commitment to these programs agreed upon by Congress in the 2014 Farm Bill.** Furthermore, CTA provides critical assistance to producers attempting to protect natural resources on their farm through conservation planning and practice implementation. **We urge the Subcommittee to provide \$761.7 million for CTA, which is consistent with the President's FY 2017 budget request.**

**TESTIMONY OF JEFFREY KIGHTLINGER, GENERAL MANAGER,  
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

**BEFORE THE UNITED STATES HOUSE OF REPRESENTATIVES  
COMMITTEE ON APPROPRIATIONS  
SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT, FOOD AND  
DRUG ADMINISTRATION, AND RELATED AGENCIES**

**ON CONTINUED FISCAL YEAR 2017 FUNDING FOR THE  
COLORADO RIVER BASIN SALINITY CONTROL PROGRAM,  
UNDER USDA'S ENVIRONMENTAL QUALITY INCENTIVES PROGRAM**

**MARCH 15, 2016**

CHAIRMAN ADERHOLT, RANKING MEMBER FARR, AND MEMBERS OF THE  
SUBCOMMITTEE:

The Metropolitan Water District of Southern California (Metropolitan) encourages the Subcommittee's support for fiscal year 2017 federal funding of **\$15.2 million** in financial assistance from the U.S. Department of Agriculture's Environmental Quality Incentives Program (**EQIP**) for the Colorado River Basin Salinity Control Program (Salinity Control Program) to prevent further degradation of Colorado River water quality and increased economic damages.

The salt concentration in the Colorado River causes over \$300 million in damages to water users each year. While this figure is significant, had it not been for the efforts of the Salinity Control Program, damages would be much higher. Salinity Control Program actions have reduced salinity concentrations of Colorado River water by 90 milligrams per liter (mg/L) from what they would have been without the actions. That reduction of 90 mg/L has avoided additional damages of over \$200 million per year.

Metropolitan is the regional water supplier for most of urban southern California, providing supplemental water to retail agencies that serve approximately 19 million people. Water imported via the Colorado River Aqueduct has the highest level of salinity of all of Metropolitan's sources of supply, averaging around 630 mg/L since 1976. This salinity level causes economic damages to all sectors. For example, high salinity leads to:

- A reduction in the useful life of galvanized water pipe systems, water heaters, faucets, garbage disposals, clothes washers, and dishwashers, and an increased use of bottled water and water softeners in the household sector;
- An increase in the cost of cooling operations, additional need for and cost of water softening, and a decrease in equipment service life in the commercial sector;
- An increase in the use of water and the cost of water treatment, and an increase in sewer fees in the industrial sector;
- A decrease in the life of treatment facilities and pipelines in the utility sector;
- Difficulty in meeting wastewater discharge requirements to comply with National Pollutant Discharge Elimination System permit terms and conditions, and an increase in desalination and brine disposal costs due to accumulation of salts in groundwater basins, and fewer opportunities for recycling due to groundwater quality deterioration;
- Increased cost of desalination and brine disposal for recycled water in the municipal sector; and
- A reduction in the yield of salt sensitive crops and increased water use for leaching in the agricultural sector.

Concern over salinity levels in the Colorado River has existed for many years. To deal with the concern, the International Boundary and Water Commission signed Minute No. 242, Permanent and Definitive Solution to the International Problem of the Salinity of the Colorado River in 1973, and the President signed the Colorado River Basin Salinity Control Act of 1974 (Act) into law. To further foster interstate cooperation and coordinate the Colorado River Basin states' efforts on salinity control, the seven Basin states formed the Colorado River Basin Salinity Control Forum.

The Forum is charged with reviewing the Colorado River's water quality standards for salinity every three years. In so doing, it adopts a Plan of Implementation consistent with these standards. The Plan of Implementation, as adopted by the states and approved by EPA, calls for 67,000 tons of additional salinity control measures to be implemented by Reclamation and the Natural Resources Conservation Service (NRCS) by 2018, or approximately 34,000 tons of new control each year by NRCS.

In implementing the Act, Congress recognized that most of the salt load in the Colorado River originates from federally owned lands. The majority of land within the Colorado River Basin is federally owned and administered. The salts in the Colorado River system are indigenous and pervasive, mostly resulting from saline sediments in the Basin that were deposited in prehistoric marine environments. They are easily eroded, dissolved, and transported into the river system, and enter the River through both natural and anthropogenic sources.

The Salinity Control Program reduces salinity by preventing salts from dissolving and mixing with the River's flow. Irrigation improvements (sprinklers, gated pipe, lined ditches) and vegetation management reduce the amount of salt transported to the Colorado River. Point sources such as saline springs are also controlled.

The Salinity Control Program, as set forth in the Act, benefits the Upper Colorado River Basin water users through more efficient water management and increased crop production, and benefits local economies through construction contracts and through environmental enhancements. The Salinity Control Program benefits the Lower Basin water users, hundreds of miles downstream from salt sources in the Upper Basin, through reduced salinity concentration of Colorado River water. California's Colorado River water users are presently suffering economic damages in the hundreds of millions of dollars per year due to the River's salinity.

In enacting the Act, Congress directed that the Salinity Control Program be implemented in the most cost-effective way. The Program is currently funded under EQIP through NRCS and under Reclamation's Basinwide Program. With the passage of the Agricultural Act of 2014 the authorities for USDA to implement salinity control activities in the Colorado River Basin were continued. Each year the NRCS State Conservationists for Colorado, Utah and Wyoming prepare a three-year funding plan for the salinity control efforts under EQIP. Metropolitan supports this funding plan which recognizes the need for \$15.2 million in EQIP financial assistance allocations in Fiscal Year 2017.

EQIP is used to improve upstream irrigation efficiencies which in turn reduce leaching of salts to the Colorado River. There are also local benefits in the Upper Colorado River Basin from the Program in the form of soil and environmental benefits, improved agricultural production, improved water efficiencies, lower fertilizer and labor costs, and water distribution and infrastructure improvements. Local producers submit cost-effective applications under EQIP in Colorado, Utah and Wyoming and offer to cost share in the acquisition of new irrigation equipment. Appropriated federal dollars will be augmented by the state cost sharing of 30 percent with an additional 25 percent provided by the agricultural producers with whom the U.S. Department of Agriculture contracts for implementation of salinity control measures. The mix of funding under EQIP, cost share from the Basin States and efforts and cost share brought forward by local producers has created a most remarkable and successful partnership. Over the past years, the Salinity Control Program has proven to be a very cost effective approach to help mitigate the impacts of increased salinity in the Colorado River.

Continued federal funding of this important Basin-wide program is essential. Metropolitan urges the Subcommittee to support funding for fiscal year 2017 of \$15.2 million from the U.S. Department of Agriculture's Environmental Quality Incentives Program for the Colorado River Basin Salinity Control Program. Additionally, there is a need for sufficient technical assistance funding to adequately implement the Salinity Control Program.

Jeffrey Kightlinger, [OfficeoftheGeneralManager@mw2o.com](mailto:OfficeoftheGeneralManager@mw2o.com)



**Testimony of Ken Odde, President of the National Association for the Advancement of Animal Science (NAAAS), regarding FY 2017 appropriations for animal science research.  
Point of Contact: Lowell Randel, [lowell@therandelgroup.com](mailto:lowell@therandelgroup.com)**

As President of the National Association for the Advancement of Animal Science (NAAAS), I am writing to request the subcommittee's support for critical animal science research within the National Institute for Food and Agriculture (NIFA) and the Agricultural Research Service (ARS). Specific programmatic requests for NIFA include:

Hatch Act	\$244,000,000
Agriculture and Food Research Initiative	\$700,000,000
Smith Lever, Section 3(b) and (c)	\$300,000,000
Section 1433	\$10,000,000
Veterinary Medicine Loan Repayment Program	\$5,000,000
Veterinary Services Grant Program	\$2,500,000
Food Animal Residue Avoidance Database Program	\$2,500,000
Food and Agriculture Defense Initiative	\$10,000,000

The 2014 farm bill includes an expansion of Section 1433 to establish a new competitive research grants mechanism to address critical priorities in food security, one health and stewardship. The expanded authority came in response to a historic funding disparity for animal science and provides the opportunity to address major challenges facing animal agriculture.

The new competitive grants program in Section 1433 provides a mechanism to focus resources on high priority areas to help animal agriculture meet future challenges. It is important to get the new competitive program started as soon as possible. We respectfully request that **\$10 million** for Section 1433 in fiscal year 2017, as an important step toward the goal of meeting the program's authorized level of \$25 million.

For ARS, NAAAS recommends \$1,286,000,000 for FY 2017. ARS has the potential to make significant progress towards solving problems facing America's livestock and poultry producers but is consistently receiving funding disproportionate to its contributions to the farm

National Association for the Advancement of Animal Science  
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economy. ARS intramural research is uniquely suited for projects that require a long term investment leading to high-impact payoffs, while maintaining the capacity and readiness to respond to emerging and pressing problems. NAAAS requests that the committee to provide funding at least \$1.286 billion for ARS in FY 2017. Within this total, NAAAS supports the President's budget request for \$95 million for buildings and facilities. This level would enable ARS to continue its work to address high priority facility needs.

### **Background and Justification**

As the world's population grows and natural resources become limited, animal agriculture research is necessary now more than ever to improve efficiency in order to continue providing safe and abundant food supplies for the growing global community. It is imperative that the increased food production be done in a manner that will protect our natural resources while maintaining America's global competitiveness in producing animals and animal products. Global demand for food is expected to increase from 70 to 100 percent by 2050. Meat consumption is estimated to increase by 73 percent, dairy consumption by 57 percent, and per capita egg consumption in developing countries is expected to rise by almost 40 percent.

Innovations in animal science will play an important role in the future success of animal agriculture and the rural economy. Livestock and poultry sales account for 40 percent of all farm income. When feed crops consumed by livestock are included, the contribution to farm income is 60 percent. The United States must step up its investments in agricultural research to remain a leading producer of safe, affordable and abundant food and meet increasing demands.

Unfortunately, current funding by the United States Department of Agriculture (USDA) to support the animal sciences is not proportionate with the economic contributions of animal agriculture. In fact, investment in the animal sciences has been declining for many years, even



for programs such as the Agriculture and Food Research Initiative (AFRI) that have received increased appropriations. This trend was highlighted by National Academy of Sciences in its report “Critical Role of Animal Science Research in Food Security and Sustainability” (see [http://www.nap.edu/openbook.php?record\\_id=19000](http://www.nap.edu/openbook.php?record_id=19000)) that was released in January 2015. The report recognizes the historic underfunding of animal sciences and calls for increased investments. This imbalance in support for animal science puts U.S. animal agriculture at a major disadvantage at a critical time when livestock and poultry producers are striving for global competitiveness, improving sustainability and working to feed a growing global population.

To address this shortfall in federal investments supporting the animal sciences, new resources must be dedicated to meet critical priorities in animal science. The National Association for the Advancement of Animal Science (NAAAS) has identified a series of value propositions where additional federal investments can drive innovation in the high priority areas of Food Security, One Health and Stewardship.

**Food Security - Challenges and Opportunities:** With a projected increase in global population by 2050, food production must double which requires increased efficiency of the use of limited natural resources to meet expected increases in meat and milk consumption by 73% and 58%, respectively. With land, water and other natural resources being limited relative to this demand, maintaining or reducing the environmental impact of increased production will be challenging. New knowledge and technology offers meat and dairy producers and the allied pre- and post-harvest industries that support them an opportunity to increase income using sustainable production methods while meeting expanding demand. Accelerated research in systems biology and genomics can provide sustainable increases in overall production efficiency by 50% in 2025

through enhanced performance. Such applications will provide abundant, safe, nutritious and affordable food from animal sources to consumers across the world.

**One Health Challenges and Opportunities:** The one health concept recognizes that animal, human and ecological health are inextricably linked and are best addressed using a systems approach as alluded to in the National Institutes of Health Roadmap (see <http://nihroadmap.nih.gov>). The human and livestock genome projects are providing revolutionary insights for improving human health; however, the application of genomics biology to animal agriculture offers much more for our global society. It is clear that an abundant, affordable and safe food supply continues to be the foundation for human health, economic stability and political stability necessary for improved quality of life in the United States and worldwide. A major opportunity for One Health is to enhance vital agricultural and biomedical capabilities that embrace functional genomics, proteomics and bioinformatics to sequence, map and explore genomes of important species of animals, crops and microbes. This is essential for increasing profitability of livestock enterprises through improved production efficiencies and approaches to enhance animal health and wellbeing.

Modern transportation, global movement of animals and people, and intensive livestock management systems create increased risks for either accidental or intentional introduction of infectious diseases. Zoonoses pose risk of disease transmission from animals to people and vice versa, with both health and economic impacts. Some 58% of new human diseases are zoonotic, and environmental conditions influence the transmission of disease. The results of outbreaks of highly infectious diseases in animals cause mortality and morbidity, as well as catastrophic trade and other economic impacts. A major concern with such outbreaks is the need to employ systems of containment and eradication that ensure continuity of business operations during

intervention, especially in intensive livestock production systems. Interdisciplinary research can help understand how pathways are integrated in complex organisms, determine how disturbances in these pathways lead to disease and disease resistance, and desired phenotypes that enhance production agriculture and animal health, as well as mitigate transmission of zoonotic diseases.

**Stewardship Challenges and Opportunities:** Livestock operations must continue to make major advances in the efficiency and sustainable use of natural resources for both extensive and intensive production systems. More effective use of land, water, energy and other natural resources that generate inputs to animal production as well as for animal production itself are needed. Stewardship of the animals and their relationship to the communities in which they exist are key elements of the total equation. As demand for food increases, animal production will be increasingly forced to use marginal lands where stewardship is even more challenging. New innovations and technologies are urgently needed to meet future demands for foods of animal origin, stewardship of natural resources, and economic survival of food animal production.

Modern science, ranging from basic research in plant and animal genomics, transcriptomics and bioinformatics is essential to underpin genetic selection for development of new and more drought-resistant feeds and forages to improve overall food animal production efficiencies and management practices. This is essential to realizing advances in animal and plant agriculture required to meet demands and maintain a healthy natural resource base.

In order to realize the innovations and outcomes identified, increased public funding of agricultural research will be needed. NAAAS appreciates the opportunity share its views on the drivers for innovation in animal science and the need for increased federal investments. Please let us know if you have any questions or if NAAAS can be of any assistance as the committee continues its work on the federal investment in science.



## National Association of Conservation Districts

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February 25, 2016

The Honorable Robert Aderholt  
Chairman

Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related  
Agencies

Committee on Appropriations  
United States House of Representatives  
Washington, DC 20515

The Honorable Sam Farr  
Ranking Member

Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related  
Agencies

Committee on Appropriations  
United States House of Representatives  
Washington, DC 20515

Dear Chairman and Ranking Member:

The National Association of Conservation Districts (NACD) represents America's 3,000 conservation districts and the 17,000 locally elected men and women who serve on their governing boards. Conservation districts are local units of government established under state law to carry out natural resource management programs at the local level. Districts work with millions of cooperating landowners and operators to help them manage and protect land and water resources on all private lands and many public lands in the United States.

The Conservation Technical Assistance program, part of the Conservation Operations account administered by the USDA Natural Resources Conservation Service (NRCS) supports critical, voluntary conservation practices to ensure water quality, productive land and other vital environmental benefits. Thousands of landowners will not be able to install conservation measures without the technical support offered through the Conservation Operation account. We understand the need to address our nation's finances, but with increased pressures on working lands to produce food, feed, fuel, and fiber for the world's growing population, discretionary funding for technical assistance is needed now more than ever.

Due to the increasing need for conservation planning and implementation across the country, **NACD respectfully requests approval of the President's fiscal year 2017 budget of \$860.374 million as a base for the NRCS Conservation Operations account in the fiscal year 2017 Agriculture Appropriations bill.** Maintaining funding will allow for the delivery of critical conservation programs; help ensure the best technical and scientific knowledge is available when designing and implementing conservation plans with landowners; and most importantly, provide for the continued availability of the conservation practices that ensure clean water, healthy soils, and other vital benefits on which the public relies each day.

**NACD supports maintaining all mandatory conservation program funding for fiscal year 2017 as allocated in the Agriculture Act of 2014.** The Farm Bill conservation programs are important resources to all producers and landowners by helping them receive financial and technical assistance to implement conservation practices or activities like conservation planning that address natural resource concerns on their land. Continued cuts to these programs sets a dangerous precedent at a time when conservation of our nation's natural resources is of the utmost importance. NACD applauds the President for not including any cuts to mandatory conservation programs in the fiscal year 2017 budget.

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**National Headquarters**  
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## **National Association of Conservation Districts**

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The Agricultural Act of 2014 made a historic commitment to maintaining and repairing the infrastructure associated with the nation's many watersheds through the Watershed Rehabilitation Program. Some of these structures are decades past their original designed lifespan. **NACD supports \$100 million for the Watershed Rehabilitation Program.**

In addition to the Watershed Rehabilitation program, equally as important to preserving the nation's water quality and quantity is the Watershed Operations account's discretionary funding. **NACD supports a funding level of \$400 million for the Watershed Operations account.** The collective Watershed Program's benefits to rural and urban communities across the country add up to a stronger national economy and a more productive and secure nation. The Watershed Program represents the prospect for the perfect blend of natural resource protection and the creation of economic opportunity in rural areas. Investment in the program denotes expanding opportunities for natural resource conservation coupled with important national economic and environmental dividends.

Successful conservation requires a strong public, private partnership; efforts begin at the local level, with technical assistance and funding from federal, state, and local governments and the private sector. NRCS is an essential federal partner and resource in helping landowners plan and develop conservation practices on their property. For example, ongoing restoration efforts in the Chesapeake Bay, Great Lakes, Mississippi River Basin, and the Trinity River demonstrate locally led conservation efforts with national significance that benefit from technical assistance.

Thank you for your consideration of this request. We look forward to working with you as we continue to serve the nation through natural resource conservation.

Sincerely,

Lee D. McDaniel  
NACD President

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**Ann Cooper, Chair**

**Robert Blancato, Executive Director**

**National Association of Nutrition and Aging Services Programs (NANASP)**

**Mary Pat Raimondi, Vice President of Strategic Policy and Partnerships**

**Academy of Nutrition and Dietetics**

Chairman Aderholt, Ranking Member Farr;

On behalf of the National Association of Nutrition and Aging Services Programs (NANASP), an 1,100-member nonpartisan, nonprofit, membership organization for national advocates for senior health and well-being, and on behalf of the Academy of Nutrition and Dietetics, a 76,000 member organization of food and nutrition professionals, committed to improving the nation's health through healthy and safe food choices, we thank you for the opportunity to offer testimony in support of the Department of Agriculture's proposed increases for the following programs within the Food and Nutrition Services:

- \$900 million for the Supplemental Nutrition Assistance Program (SNAP), including \$10 million to implement state options to streamline application processes for older adults;
- \$14 million for the Commodity Supplemental Food Program

We also support the \$20.6 million request for the Senior Farmers' Market Nutrition Program.

One in six older Americans struggles with hunger and food insecurity. These numbers continue to grow with the growth of the aging population; more than 10,000 seniors turn 65 every day.

However, only 39% of eligible seniors are enrolled in SNAP—meaning that millions of seniors are going hungry.

One reason commonly given for lack of older adult enrollment in SNAP is lack of ability to fill out the application. Therefore, the President's request for \$10 million to implement state options to streamline application processes for seniors based on successful state demonstrations in increasing senior participation in SNAP is incredibly important. By streamlining the process, seniors will be able to apply more easily, thus making it more likely that they will complete the application and receive the benefits they desperately need.

We also support the proposed increase for the Commodity Supplemental Food Program. It currently serves more than 600,000 low-income people nationwide, and it is the only USDA nutrition program that provides monthly food assistance specifically targeted at low-income seniors. However, the program is funded at a set level annually and therefore cannot serve all eligible seniors. It is also unavailable in Alabama, Virginia, West Virginia and Wyoming. This increase would address current demand and fund new caseloads to a total of 639,000 participants.

Finally, at a minimum, we support the President's request for \$20.6 million for the Senior Farmers' Market Nutrition Program. This program puts fresh produce into the hands of low-income seniors and supports local markets, roadside stands, and community-supported agriculture operations (CSAs). However, fewer than 836,000 seniors were able to participate in 2013 and received an average benefit of only \$31/year in groceries since the program is funded

at a set level. Further, it is unavailable in seven states. Thus, we support its expansion and higher funding for this program if at all possible.

Investments in these nutrition programs are cost-effective because many common chronic conditions such as hypertension, heart disease, diabetes, and osteoporosis can be effectively prevented and treated with proper nutrition. The Academy of Nutrition and Dietetics estimates that 87 percent of older adults have hypertension, high cholesterol, diabetes, or some combination of all of these. These seniors need healthy meals to avoid serious medical care—and this care would place an expensive burden on Medicare and Medicaid.

Older adults who are not receiving proper meals can also become malnourished and undernourished. This makes it harder for them to recover from surgery and disease, makes it more difficult for their wounds to heal, increases their risk for infections and falls, and decreases their strength that they need to take care of themselves. Malnourished older adults are more likely to have poor health outcomes and to be readmitted to the hospital—their health costs can be 300 percent greater than those who are not malnourished on entry to the health care system.

As more than 10,000 seniors turn 65 every day, now is the time to provide a greater investment in these proven and cost-effective programs.

Thank you for your past and future support.



Testimony of Adrian Baber, President

National Association of State Conservation Agencies (NASCA)

House Appropriations Committee

**Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and  
Related Agencies**

**Testimony regarding the Watershed Protection and Flood Prevention Program**

NASCA Point of Contact: Michael Brown, Executive Director

[Mike-brown@nascanet.org](mailto:Mike-brown@nascanet.org)

Mr. Chairman and Ranking Member:

**The National Association of State Conservation Agencies (NASCA) is specifically supportive to increasing appropriations to the Watershed Protection and Flood Prevention Program (The Watershed Program) administered by the USDA Natural Resources Conservation Service (NRCS). Specifically, we are asking the Committee to provide \$300 million for Watershed Operations, \$35 million for Watershed Surveys and Planning, and \$75 million for Watershed Rehabilitation.**

The National Association of State Conservation Agencies (NASCA) represents the agency of each state government with statutory administrative overview of our nation's conservation districts. These State Conservation Agencies address their missions of protecting and sustaining



our nation's soil and water resources by assessing natural resource needs and utilizing a variety of resources to address them. These resources typically may be of federal, state, or local origin. Undoubtedly federal resources play a critical role in addressing our nation's natural resource concerns, particularly those provided by a variety of Farm Bill programs administered by USDA. We are grateful for the variety of resources available through these programs.

However, while many Farm Bill program funding levels remain significant, NASCA is concerned about inadequate federal investment in the **Watershed Protection and Flood Prevention Program (The Watershed Program) administered by the USDA Natural Resources Conservation Service (NRCS)**. The Watershed Program, established through the Watershed Protection and Flood Prevention Act of 1954 (Public Law 83-566), authorizes NRCS to work with local sponsors to install watershed protection and improvement projects, including critical water management infrastructure as well as upstream watershed conservation treatments. Together, NRCS and local sponsors deal with a wide range of natural resource issues, including flood control, water quality, sediment and erosion control, water supplies, and water-based recreation. In fact, there are many similarities between this program and the Regional Conservation Partnership Program (RCPP), in that both programs bring together multiple partners and leverage a variety of resources to address resource issues. The inherent difference is that RCPP project partners generally go their separate ways at the conclusion of the project, whereas Watershed Program local sponsors guarantee long-term commitments to projects.

Additionally, State Conservation Agencies have found a workable flexibility in the Watershed Program that is often missing in other Farm Bill programs, allowing conservation delivery

professionals in the federal, state, conservation district, and private arenas to more efficiently and effectively address natural resource concerns at the local level. Thus, we are perplexed that funding for this program has waned. We estimate that there is currently a \$20 billion federal investment on the landscape through the Watershed Program. While local sponsors have agreed to much of the long-term operation and maintenance responsibilities for these projects, there is nonetheless a continuing need to provide expert technical assistance to these local sponsors. Additionally, there is currently a three to four-year backlog of “shovel-ready” watershed projects awaiting funding. These are not merely appropriations, but rather investments in our nation’s green infrastructure that will provide a tremendous return on investment by stimulating our economy and mitigating the effects of climate change.

Therefore, NASCA respectfully requests your consideration of a greater federal commitment to the Watershed Program. We seek your leadership in providing **\$300 million for Watershed Operations, \$35 million for Watershed Surveys and Planning, and \$75 million for Watershed Rehabilitation.** Appropriations in these amounts to the **Watershed Protection and Flood Prevention Program (WFPF) accounts** will allow NRCS staff, State Conservation agencies, conservation districts, local sponsors, and other conservation delivery professionals to maintain a robust Watershed Program that will pay dividends to life, property, and resources for years to come.

NASCA appreciates your consideration of the aforementioned FY2017 funding requests for the Watershed Program. We would be pleased to provide any additional information to you, your committee, or your staff as requested.

Yours in conservation,

Adrian Baber  
NASCA President


**National Association of State Departments of Agriculture**

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March 10, 2016

The Honorable Thad Cochran  
Chairman, Committee on Appropriations  
United States Senate  
Room S-128, The Capitol  
Washington, DC 20510

The Honorable Barbara Mikulski  
Ranking Member, Committee on Appropriations  
United States Senate  
Room S-146A, The Capitol  
Washington, DC 20510

The Honorable Harold Rogers  
Chairman, Committee on Appropriations  
United States House of Representatives  
Room H-305, The Capitol  
Washington, DC 20515

The Honorable Nita Lowey  
Ranking Member, Committee on Appropriations  
United States House of Representatives  
1016 Longworth House office Building  
Washington, DC 20515

Dear Chairman Cochran, Chairman Rogers, Ranking Member Mikulski, and Ranking Member Lowey:

As Congress prepares legislation for FY17 appropriations for federal agencies, the National Association of State Departments of Agriculture (NASDA) encourages you to support important programs to ensure a safe, affordable, and abundant food supply. While there are many important programs funded annually, there are a few we want to highlight and encourage the committee to adequately fund.

NASDA represents the Commissioners, Secretaries, and Directors of agriculture in all fifty states and four territories. As elected and appointed officials, our members are strong advocates for American agriculture and are partners with a number of federal agencies in regulating, marketing, and providing services to the agricultural industry.

## **FOOD AND DRUG ADMINISTRATION**

### **Integrated Food Safety System**

- **Increase for the Food Safety Modernization Act (FSMA) state implementation programs at \$100 million**

NASDA estimates state programs will need an investment of \$100 million annually. FDA is seemingly continuing to increase state program expenditures. The requested amount is necessary for the development and operation of programs which will implement the three major FSMA programs (Preventive Controls: Human Food, Preventive Controls: Animal Food, and Produce Safety).

NASDA appreciates the investment in food safety Congress made in the FY16 omnibus bill. This contribution is an important step in implementing FSMA and supporting the law's preventive approach. The president's FY 17 budget requests \$25 million for FSMA implementation; however, additional funds are needed at the state level to implement FSMA. While this increase in the FDA budget is appreciated,

the sooner FDA's expenditures to states reach the \$100 million per year mark, the more systematic and timely the implementation of FSMA will be at the state level.

While the U.S. arguably has the safest food system in the world we can do better if we focus on prevention. States are willing to participate in the implementation of FSMA, however states are unable to participate in unfunded mandates and insist that FDA get the rules right. NASDA is continuing conversations with FDA on these points and believes increased funding for state programs is necessary.

#### **Center for Veterinary Medicine (CVM)**

- **CVM program areas at \$196.7 million**
- **National Antimicrobial Resistance Monitoring System (NARMS) funding at \$10.8 million**
- **Combating Antibiotic Resistance Initiative at \$35 million for USDA**

NASDA supports President's funding of **\$196.7 million for CVM, which oversees the safety of animal drugs, feeds and biotechnology-derived products**. Further, we request that the **new user fees established by the Animal Drug User Fee Act (ADUFA) of \$22.977 million be included** in the FY17 appropriations bill. ADUFA establishes a system of performance standards to improve the new animal drug review process at CVM. The review process has improved as CVM has met the performance standards. To maintain this success, we request the fees be integrated into this year's appropriation bill. The appropriation is entirely budget neutral as the money is provided by the animal health companies.

NASDA strongly supports the continuation of the **National Antimicrobial Resistance Monitoring System (NARMS) presently funded at \$10.8 million**. NASDA thanks Congress for increasing NARMS funding for meat testing by \$3 million last year. Continued funding will help detect trends in antibiotic resistance. NASDA supports the Administration's request for an **additional \$35 million for the USDA and \$1 million for the Food Drug Administration – Center for Veterinary Medicine (CVM)** for research, monitoring, and surveillance under the **National Action Plan for Combating Antibiotic Resistant Bacteria (CARB)**. Finally, NASDA supports developing scientifically valid methods to better understand antimicrobial drug use practices in animals and the public health impacts of resistant bacteria.

## **U.S. DEPARTMENT OF AGRICULTURE**

#### **Agricultural Marketing Service (AMS)**

- **Fully fund the Specialty Crop Block Grant Program at the authorized amount of \$72.5 million**
- **Fully fund the Specialty Crop Multi-State Program at the authorized amount of \$4 million**

NASDA urges the committee to **fully fund the Specialty Crop Block Grant Program at \$72.5 million**. The SCBG Program is critical to the expanding the availability of high quality, safe, and nutritious specialty crops to consumers while adding value to producers through research and extension activities.

#### **Agricultural Research Service (ARS)**

- **Fully fund ARS at \$1.426 billion**
- **Fully fund Office of Pest Management Policy (OPMP) at \$3 million**
- **Fully fund National Agricultural Law Center (NALC)**

**NASDA supports funding of at least \$1.426 billion for ARS.** ARS works towards solving problems facing America's crop, livestock and poultry producers as well as natural resources, human nutrition, food production and food processing. ARS' intramural research and their partnerships with universities and industry is uniquely suited for projects requiring a long term investment and high-impact payoffs, while maintaining the capacity to respond to emerging and pressing problems.

NASDA urges the committee to **fully fund the Office of Pest Management Policy (OPMP) at \$3 million**, as authorized by the Agricultural Act of 2014, and we **further request assurances USDA-ARS executes this complete funding allocation to OPMP.** OPMP plays a critical role in coordinating policies and activities at USDA related to pesticides. Furthermore, OPMP provides a crucial source of leadership in the coordination of interagency activities between USDA, the EPA, the FDA, and state agencies.

**NASDA encourages continued extramural funding for the National Agricultural Law Center (NALC), and its partners in the Agricultural & Food Law Consortium (Consortium) through the USDA-ARS National Agricultural Library.** The Consortium supports development and dissemination of objective, scholarly, and relevant agricultural and food law research and information to producers, policy makers, extension, others and NASDA leadership and members as they are a formal NASDA partner. Led by the NALC, the Consortium includes the National Sea Grant Law Center at the University of Mississippi School of Law, the Agricultural & Resource Law Program at The Ohio State University, and the Agricultural Law & Resource Center at Penn State Law. Requested report language: *The Committee expects USDA-ARS National Agricultural Library extramural research and information consortium projects to be funded at no less than the fiscal year 2014 levels.*

#### **Animal and Plant Health Inspection Service (APHIS)**

- **Fund APHIS program areas at \$901 million**
- **Fully fund Cooperative Agricultural Pest Survey (CAPS) Program**
- **Fully fund Wildlife Services at \$105 million**
- **Fully fund Feral Swine Control at \$20 million**
- **New research funding for National Animal Health Monitoring System (NAHMS)**

NASDA members are key regulatory partners with USDA-APHIS in protecting American agriculture and rural economies from the threats posed by animal and plant diseases and pests. It is estimated that plant pests alone cost the US economy over \$100 billion a year. NASDA recommends **a minimum of \$901 million in funding for APHIS.** Any reductions to APHIS' budget will result in deterioration of essential services and impair the Agency from carrying out its fundamental mission, which is "to protect the health and value of American agriculture and natural resources."

**We urge the committee to fully fund the Cooperative Agricultural Pest Survey (CAPS) program**, which is an important state-federal cooperative program that conducts science-based national and state surveys targeted at specific exotic plant pests, diseases, and weeds identified as threats to U.S. agriculture and/or the environment. A strong agricultural pest detection system is essential to providing a continuum of checks from offshore programs, domestic port inspections, and countrywide surveys.

NASDA encourages the committee to **fully fund APHIS's critical Wildlife Services (WS) programs at \$105 million** and appreciates the funding increase for WS in the FY16 omnibus. In cooperation with state departments of agriculture, industry and others, WS leadership and expertise is needed to resolve conflicts between humans and wildlife and protect agriculture from detrimental animal predators through identification, demonstration, and application of the appropriate methods of control. NASDA

also supports **\$20 million to the national control program for feral swine**. These invasive species cause an estimated \$1.5 billion annually in damages to pastures, crops, and natural areas.

NASDA supports fully funding the **National Animal Health Monitoring System (NAHMS)** for antibiotic research. Further, funding of this system must be **new money** not redirected USDA funds. **Antibiotic use data collection should be collected through the NAHMS**, which conducts national studies on the health and management of U.S. livestock populations. NAHMS has defined protocols in place, is already on-farm collecting data, and provides confidentiality protections.

#### **Food Safety Inspection Service (FSIS)**

- **Remove Prohibitions on USDA Horse Meat Inspections**
- **Fully fund State Food Safety and Inspection at \$63 million**

We encourage the committee to **resist attempts to include language that would prohibit funding for USDA ante-mortem horse inspection**. A 2011 GAO study concluded that removing funding for USDA horse meat inspectors has resulted in widespread starvation, abandonment, unnecessary suffering of horses and unwanted horses being shipped farther to processing facilities in Canada or Mexico.

**NASDA urges the committee to restore funding for State Food Safety and Inspection programs to \$63 million and refrain from further cuts**. This funding is critical for states that provide state meat inspections under a variety of programs regulated by FSIS.

#### **Foreign Agricultural Service (FAS)**

- **Market Access Program (MAP) at \$200 million**
- **Foreign Market Development (FMD) program at \$34.5 million**

Funding for the Foreign Agricultural Service (FAS) is a key NASDA priority, and is vital to ensuring American agricultural producers and related businesses are able access important export markets. NASDA urges the committee to **fully fund the Market Access Program (MAP) at \$200 million**. MAP encourages the development, maintenance, and expansion of commercial agricultural export markets. The program especially helps small businesses in urban, suburban, and rural areas access foreign markets and increase export opportunities. In addition, we encourage you to **fully fund the Foreign Market Development (FMD) program at \$34.5 million** and help foster trade opportunities with American businesses in emerging markets.

#### **National Agricultural Statistics Service (NASS)**

- **Funding for NASS of at least \$176.6 million**

NASS provides objective, timely, accurate, and essential statistics in service to U.S. agriculture. NASS statistics provide the information necessary for producers, agribusinesses, farm organizations, economists, and others for critical decision making in agricultural marketing and investing. **NASDA urges the committee to fund NASS at a minimum of \$176.6 million** as NASS data is vital to keeping agricultural markets stable, efficient, and fair by making available objective data to commodity market buyers and sellers. NASS programs and operations continue to deliver improved results, including opening a National Operations Center that centralizes data collection and service.

### **National Animal Health Laboratory Network (NAHLN)**

- **Fully fund NAHLN at \$15 million**

NASDA was pleased the 2014 Farm Bill authorized \$15 million annually for the National Animal Health Laboratory Network (NAHLN), which is a cooperative effort composed of USDA-APHIS, NIFA, university, and state veterinary diagnostic labs. NAHLN is an early warning system for emerging and foreign animal diseases, and **we urge Congress to provide the full authorized funding in FY17 for the new budget line.** This funding will help expand surveillance and surge capacity of the NAHLN by: increasing the number of participating state labs; developing infrastructure for electronic data transmission; and, increase efficiency and effectiveness of lab personnel training and employment.

### **National Institute for Food and Agriculture (NIFA)**

- **National Agriculture in the Classroom at \$1 million**
- **Fully fund Agriculture and Food Research Initiative (AFRI) at \$700 million**
- **Level funding for Veterinary Medical Loan Repayment Program (VMLRP) at \$5 million**
- **Fund Veterinary Services Grant Program (VSGP) at \$2.5 million**
- **Fund Food Animal Residue Avoidance Database (FARAD) at \$2.5 million**
- **Fund Section 1433 at \$10 million**

**NASDA encourages funding for Agriculture in the Classroom (AIC) Programs at \$1 million.** This funding supports state programs that provide tools to improve agriculture literacy among PreK-12 teachers and students. AIC is a critical educational tool to inspire our next generation of farmers, workforce members and consumers. NASDA appreciated Congress' 2016 funding of \$552,000. **NASDA recommends this programming remain under USDA's scope due to its closely aligned mission areas.**

**NASDA strongly supports the President's proposal of \$700 million for the Agriculture and Food Research Initiative (AFRI).** AFRI competitively funds new projects and addresses emerging issues in food, agriculture, and natural resources research. Studies show that every dollar invested in agricultural research returns over \$20 to our economy. NASDA is supportive of language directing AFRI to address pollinators, antibiotic resistance and advancing drug approvals to treat minor species. Within NIFA, NASDA requests funds for the following, emphasizing impacts on animal agriculture:

- **\$5 million, or level funding, for the Veterinary Medical Loan Repayment Program (VMLRP).** Since 2010, 286 veterinarians have participated in the VMLRP and nearly 860 have applied. NASDA also urges congress to exempt VMLRP awards from withholding taxes.
- **\$2.5 million for the Veterinary Services Grant Program (VSGP) in FY 2017 with future increases to the full authorized level of \$10 million.** Congress needs to begin initial funding for the newly authorized competitive grant program to address gaps in rural areas.
- **\$2.5 million for the Food Animal Residue Avoidance Database (FARAD).** The President has level-funded the program at \$1.25 million. In 2013, there were more than 7.5 million animals impacted in nearly 2,000 residue avoidance cases handled by FARAD.

The 2014 Farm Bill includes enhancements to **Section 1433, Continuing Animal Health and Disease, Food Security, and Stewardship Research, Education and Extension Programs.** The expanded Section 1433 maintains the program for animal health and disease and adds a competitive grant program focusing on priorities in the areas of food security, one health and stewardship. NASDA recommends funding of \$10 million for fiscal 2017, less than half of its authorized level of \$25 million.



### **Natural Resources Conservation Service (NRCS)**

- **Fully fund the Environmental Quality Incentives Program (EQIP) at \$1.65 billion**
- **Fully fund the Conservation Stewardship Program (CSP) at 10.34 million acres**
- **Fully fund the Regional Conservation Partnership Program (RCPP)**
- **Fully fund Agriculture Conservation Easement Program (ACEP) at \$500 million**

**NASDA encourages Congress to fully fund Farm Bill Title II conservation programs.** These invaluable programs help farmers, ranchers, and landowners address conservation concerns. Voluntary, incentive-based conservation programs are the bedrock for agriculture's efforts to improve water and air quality, soil health, and address water quantity concerns. These programs also help producers avoid overly burdensome regulatory pressures.

Specifically, we urge Congress to maintain all mandatory conservation program funding for FY17, including funding the **Environmental Quality Incentives Program (EQIP) at \$1.65 billion, funding full enrollment in the Conservation Stewardship Program (CSP), and ensuring both the Agriculture Conservation Easement Program (ACEP) and the Regional Conservation Partnership Program (RCPP) are fully funded.** In addition, NASDA encourages Congress to provide the maximum possible funding for Conservation Technical Assistance and to resist charging producers user fees for accessing NRCS services.

### **U.S. Forest Service**

- **Forest Inventory and Analysis program at \$83 million**

The Forest Inventory and Analysis (FIA) program provides critical information on the state of our nation's forests. We ask the committee to reverse recent spending cuts and **fund FIA at a level of at least \$83 million.** The program inventories America's forests and provides unbiased information for monitoring trends in habitat, wildfire risk, insect and disease threats and other resource questions.

## **ENVIRONMENTAL PROTECTION AGENCY**

### **Office of Pesticide Programs (OPP)**

- **State and Tribal categorical grants at \$1.158 billion**
- **State Pollinator Protection Plans at \$1 million**
- **Pesticide Enforcement and Toxic Substances Compliance Grants at \$22.9 million**
- **Pesticide Program Implementation Grants at \$13.2 million**

**NASDA encourages the Committee to adequately fund EPA-OPP to ensure the agency has appropriate resources necessary to support FIFRA-related activities, training, resources to facilitate state meetings, and field training resources.** NASDA urges the committee to **fund EPA State and Tribal Assistance categorical grants at \$1.158 billion.** This funding is critical for states in developing and implementing state managed pollinator plans. NASDA supports OPP's work to improve pollinator health through research and technical analysis on pollinators and improving understanding to promote pollinator health through the regulatory processes. **NASDA supports funding of \$1 million for OPP to support existing resources available to states and tribes to develop pollinator protection plans.**

**NASDA supports \$22.9 million for OPP's Pesticide Enforcement and Toxic Substances Compliance Grants** to build environmental partnerships with states and tribes and to strengthen their ability in

addressing environmental and public health threats. The compliance grants request consists of \$18.0 million for Pesticides Enforcement and \$4.9 million for Toxic Substances Compliance Grants. Further, **NASDA supports funding of \$13.2 million for OPP Pesticide Program Implementation Grants.**

#### Office of Water

- **Clean Water Action Section 319 Program at \$164.9 million**

NASDA requests a minimum of **\$164.9 million for the Clean Water Act Section 319 program** but, the national need is much greater. These funds are critical for state non-point source water quality efforts.

## **ARMY CORPS OF ENGINEERS**

#### Army Corps of Engineers

- **Fully fund Inland Waterway Trust Fund (IWTF) at \$390 million**
- **Fund Operations & Maintenance (O&M) at \$3.137 billion**
- **Provide \$10 million in pre-construction engineering and design (PED) for the Navigation & Ecosystem Sustainability Program (NESP)**
- **Fund Harbor Maintenance Trust Fund (HMTF) at \$1.25 billion**

We support **\$390 million** for the Corps to ensure that funding of **Inland Waterway Trust Fund (IWTF)** for **inland waterway modernization, replacement, rehabilitation, & expansion projects** (including the Olmsted, Lower Mon, Kentucky, Chickamauga and LaGrange projects) **is maintained at the highest level** supportable by the inland waterway diesel tax revenues expected for FY17 by Treasury for the IWTF. NASDA supports the **Corps of Engineers' Operations & Maintenance (O&M) funding level of \$3.137 billion** for the operations and maintenance activities of the Corps including inland/coastal navigation.

NASDA supports providing a total of **\$10 million in FY17 to continue pre-construction engineering and design (PED) for the Navigation & Ecosystem Sustainability Program (NESP)**—Upper Mississippi River & Illinois Waterway System as authorized in title VIII of the Water Resources Development Act of 2007 (P.L. 110-114). We request reaching the **Harbor Maintenance Trust Fund (HMTF) Target level of \$1.25 billion** for FY17 for the benefit of our nation's ports and channels.

## **Occupational Safety and Health Administration**

NASDA encourages the committee to include language in the text of the FY2017 Labor HHS Appropriations bill directing that the revised enforcement policy relating to the exemption of retail facilities from coverage of the Process Safety Management of Highly Hazardous Chemicals standard (29 CFR 1910.119(a)(2)(i)) issued on July 22, 2015, shall not be enforced nor deemed by the Department of Labor to be in effect until the agency pursues a formal rulemaking.

#### Conclusion

NASDA asks that you give our requests careful consideration as work to fund the nation's agricultural policy priorities in fiscal year 2017. NASDA is a partner and co-regulator with federal agencies in the implementation of a host of food, agricultural and natural resources programs. NASDA Members have a

unique wealth of information, experience, and expertise. We realize how difficult your ask is but know that investing in the outlined programs will be beneficial now and in the future. NASDA stands ready to work with you and your staff to expeditiously pass the agriculture appropriations bill. Thank you for your consideration, and please let us know if you have any questions.

Sincerely,



**Barbara P. Glenn, Ph.D.**  
*Chief Executive Officer*  
 NASDA

Enclosure: NASDA Fiscal Year 2017 Appropriations Priorities Table

Cc: Representative Robert Aderholt (R-AL), Chair, Agriculture Appropriations Subcommittee  
 Representative Sam Farr (D-CA), Ranking Member, Agriculture Appropriations Subcommittee  
 Representative Ken Calvert (R-CA), Chair, Interior Appropriations Subcommittee  
 Representative Betsy McCollum (D-MN), Ranking Member, Interior Appropriations Subcommittee  
 Senator Jerry Moran (R-KS), Chair, Agriculture Appropriations Subcommittee  
 Senator Jeff Merkley (D-OR), Ranking Member, Agriculture Appropriations Subcommittee  
 Senator Lisa Murkowski (R-AK), Chair, Interior Appropriations Subcommittee  
 Senator Tom Udall (D-NM), Ranking Member, Interior Appropriations Subcommittee



## Fiscal Year 2017 Appropriations Priorities

<b>FOOD AND DRUG ADMINISTRATION</b>
<b><u>Integrated Food Safety System</u></b> <ul style="list-style-type: none"> <li>• Increase for the Food Safety Modernization Act (FSMA) implementation at \$100</li> </ul>
<b><u>Center for Veterinary Medicine (CVM)</u></b> <ul style="list-style-type: none"> <li>• CVM program areas at \$196.7 million</li> <li>• National Antimicrobial Resistance Monitoring System (NARMS) funding at \$10.8 million</li> <li>• Combating Antibiotic Resistance Initiative at \$35 million for USDA</li> </ul>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>
<b><u>Agricultural Marketing Service (AMS)</u></b> <ul style="list-style-type: none"> <li>• Fully fund at the authorized level of \$72.5 million</li> <li>• Fully fund at the authorized level of \$4 million</li> </ul>
<b><u>Agricultural Research Service (ARS)</u></b> <ul style="list-style-type: none"> <li>• Fully fund ARS at \$1.2 billion</li> <li>• Fully fund Office of Pest Management Policy (OPMP) at \$3 million</li> <li>• Fully fund National Agricultural Law Center (NALC)</li> </ul>
<b><u>Animal and Plant Health Inspection Service (APHIS)</u></b> <ul style="list-style-type: none"> <li>• Fund APHIS program areas at \$901 million</li> <li>• Fully fund Cooperative Agricultural Pest Survey (CAPS) Program</li> <li>• Fully fund Wildlife Services at \$105 million</li> <li>• Fully fund Feral Swine Control at \$20 million</li> <li>• Fully fund the National Animal Health Monitoring System (NAHMS)</li> </ul>
<b><u>Food Safety Inspection Service (FSIS)</u></b> <ul style="list-style-type: none"> <li>• Remove Prohibitions on USDA Horse Meat Inspections</li> <li>• Fully fund State Food Safety and Inspection at \$63 million</li> </ul>
<b><u>Foreign Agricultural Service (FAS)</u></b> <ul style="list-style-type: none"> <li>• Market Access Program (MAP) at \$200 million</li> <li>• Foreign Market Development (FMD) program at \$34.5 million</li> </ul>
<b><u>National Agricultural Statistics Service (NASS)</u></b> <ul style="list-style-type: none"> <li>• Fund NASS at a minimum of \$176.6 million</li> </ul>
<b><u>National Animal Health Laboratory Network (NAHLN)</u></b> <ul style="list-style-type: none"> <li>• Fully fund NAHLN at \$15 million</li> </ul>
<b><u>National Institute for Food and Agriculture (NIFA)</u></b> <ul style="list-style-type: none"> <li>• National Agriculture in the Classroom at \$1 million</li> <li>• Fully fund Agriculture and Food Research Initiative (AFRI) at \$700 million</li> <li>• Level funding for Veterinary Medical Loan Repayment Program (VMLRP) at \$5 million</li> <li>• Fund Veterinary Services Grant Program (VSGP) at \$2.5 million</li> <li>• Fund Food Animal Residue Avoidance Database (FARAD) at \$2.5 million</li> <li>• Fund Section 1433 at \$10 million</li> </ul>
<b><u>Natural Resources Conservation Service (NRCS)</u></b>

<ul style="list-style-type: none"> <li>• Fully fund the Environmental Quality Incentives Program (EQIP) at \$1.65 billion</li> <li>• Fully fund the Conservation Stewardship Program (CSP) at 10.34 million acres</li> <li>• Fully fund the Regional Conservation Partnership Program (RCPP)</li> <li>• Fully fund Agriculture Conservation Easement Program (ACEP) at \$500 million</li> </ul>
<b><u>U.S. Forest Service</u></b> <ul style="list-style-type: none"> <li>• Forest Inventory and Analysis program at \$83 million</li> </ul>
<b>ENVIRONMENTAL PROTECTION AGENCY</b>
<b><u>Office of Pesticide Programs (OPP)</u></b> <ul style="list-style-type: none"> <li>• State and Tribal categorical grants at \$1.158 billion</li> <li>• State Pollinator Protection Plans at \$1 million</li> <li>• Pesticide Enforcement and Toxic Substances Compliance Grants at \$22.9 million</li> <li>• Pesticide Program Implementation Grants at \$13.2 million</li> </ul>
<b><u>Office of Water</u></b> <ul style="list-style-type: none"> <li>• Clean Water Action Section 319 Program at \$164.9 million</li> </ul>
<b>ARMY CORPS OF ENGINEERS</b>
<b><u>Army Corps of Engineers</u></b> <ul style="list-style-type: none"> <li>• Fully fund Inland Waterway Trust Fund (IWTF) at \$390 million</li> <li>• Fund Operations &amp; Maintenance (O&amp;M) at \$3.137 billion</li> <li>• Provide \$10 million in pre-construction engineering and design (PED) for the Navigation &amp; Ecosystem Sustainability Program (NESP)</li> <li>• Fund Harbor Maintenance Trust Fund (HMTF) at \$1.25 billion</li> </ul>

**TESTIMONY OF DAVID TERRY, EXECUTIVE DIRECTOR, NATIONAL  
ASSOCIATION OF STATE ENERGY OFFICIALS, BEFORE THE HOUSE  
APPROPRIATIONS COMMITTEE, SUBCOMMITTEE ON AGRICULTURE, RURAL  
DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED  
AGENCIES IN SUPPORT OF FY'17 USDA FUNDING**

March 14, 2016

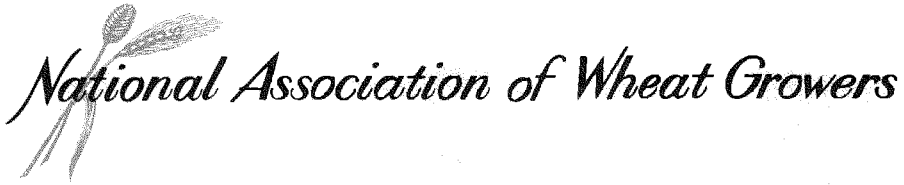
Chairman Aderholt and Ranking Member Farr, I am David Terry, Executive Director of the National Association of State Energy Officials (NASEO), and I am testifying in support of FY'17 funding for the energy title of the Farm Bill. **The mandatory levels of the energy title of the Farm Bill should be preserved.** Specifically, we support funding of at least \$19 million in additional discretionary spending for the Rural Energy for America (REAP) program (Section 9007 of the last multi-year Farm Bill), in addition to \$49 million in mandatory funding for REAP. The REAP program was created in the 2002 Farm Bill and it has been a huge success. Over 10,000 energy efficiency and renewable energy projects have been implemented in every state since 2003. With a required \$3 match of non-federal funds for every federal dollar invested in REAP, over \$1.6 billion in matching funds have been provided. This program has specifically benefitted farmers, ranchers and rural small businesses. NASEO's State Energy Office members work directly with eligible entities, as well as state agricultural agencies and rural interests to promote this successful program. REAP is about rural economic development. The Biomass Crop Assistance Program supports producers who will supply biomass feedstocks for advanced biofuels. We urge the Subcommittee to provide \$50 million for this effort in FY'17, \$24 million above the mandatory funding. Finally, we support \$15 million in mandatory funding and \$4

million in discretionary funding, a total of \$19 million for the Rural Energy for America Loans program.

NASEO represents the energy offices in the states, territories and the District of Columbia. The REAP program, and the other critical programs in the energy title of the last multi-year Farm Bill, helps create jobs, increases agricultural productivity, saves energy for farmers, ranchers and rural small businesses, generates energy, promotes use of alternative fuels, reduces our dependence on imported petroleum and saves money in rural America. The cost is very low and the payback is very high.

In FY'17, we urge your support for the REAP program, the Rural Energy for America Loans program, the Biomass Crop Assistance Program.

**Contact:** David Terry, NASEO Executive Director ([dterry@naseo.org](mailto:dterry@naseo.org)); and Jeff Genzer, NASEO Counsel ([jcg@dwgp.com](mailto:jcg@dwgp.com)).



Gordon Stoner, President

National Association of Wheat Growers

Before the

Subcommittee on Agriculture, Rural Development,

Food and Drug Administration and Related Agencies

Senate Committee on Appropriations

Concerning Research Programs at the U.S. Department of Agriculture

POC: Joshua Tonsager, Legislative Director, [jtonsager@wheatworld.org](mailto:jtonsager@wheatworld.org)

March 15, 2016

The National Association of Wheat Growers joins the National Barley and National Wheat Improvement Committees in urging the Committee to provide an additional \$3.3 million over the budget request for funding the USDA-ARS US Wheat & Barley Scab Initiative (USWBSI). This increase would provide the full \$10 million authorized by section 7303 of the Agricultural Act of 2014. We are also requesting an additional \$3.44 Million to support a Small Grains Genomic Initiative within the Agricultural Research Service.

Wheat is a very important crop and source of economic activity. As USDA's Economic Research Service has reported, the United States is a major wheat-producing country, with output typically exceeded only by China, the European Union, and India. Almost half of the U.S. wheat



crop is exported. Wheat is the principal food grain produced in the United States. In the last decade, wheat ranked third among U.S. field crops in both planted acreage and gross farm receipts, behind corn and soybeans. According to the National Agricultural Statistics Service, more than 2 billion bushels of wheat with a weighted average farm price value of approximately \$12 billion was harvested from more than 46 million acres across 42 states.

We appreciate that you have provided important support for scab research over the past several years. Since FY 2003, Congress has annually provided \$6.7 million. The mission of the USWBSI is to enhance food safety and supply by reducing the impact of Fusarium Head Blight (scab) on wheat and barley. The USWBSI is an organization of grower, researcher, and industry stakeholders, providing annual recommendations to ARS for a mission directed competitive grant program. The USWBSI is the consortium of land-grant colleges and universities authorized in farm bills over the years, in partnership with USDA-ARS scientists and research locations throughout the US.

However, the increase of \$3.3 million is necessary because scab is an emerging threat in new regions of the country, including the Western states of Colorado, Idaho, Montana, Oregon, California and Washington. Wet conditions throughout the US in 2014 resulted in widespread scab outbreaks, negatively impacting yields and resulting in high levels of the mycotoxin deoxynivalenol (DON, aka vomitoxin) in grain that was rejected by elevators, mills, and maltsters, causing disruptions in supply, economic losses to growers, and increased costs for end users.

The additional programmatic funding of \$3.3 million requested is proposed to be allocated

50% to the USWBSI and 50% in permanent base funding increases to ARS units conducting scab and supporting research.

For the \$1.65 million increase proposed for the multi-institutional and multi-discipline directed competitive grant program of the USWBSI, we recommend the following allocations to enhance research in states currently receiving funding and to expand to other states where research is needed.

<u>Budget</u>	<u>Allocation</u>
Accelerated Breeding	\$500,000
Scab Management	\$500,000
Genomic Selection	\$300,000
Research infrastructure in emerging areas	\$100,000
<u>Additional DON testing</u>	<u>\$250,000</u>
Total USWBSI Request	\$1,650,000

We also propose that ARS, in consultation with the USWBSI Executive and Steering Committees (comprised of grower, researcher, and industry stakeholders), determine how to allocate the \$1.65 million proposed for permanent base funding increases to ARS locations conducting scab research or supporting research.

We also request an additional \$3.44 Million to support a Small Grains Genomic Initiative under the ARS Salaries and Expenses Account. Those funds would be distributed as follows.

- **Next Generation Genotyping - Funding of \$1.5 million is needed so that all four USDA-ARS Small Grains Regional Genotyping Laboratories (Fargo, ND; Manhattan, KS; Raleigh, NC; Pullman, WA)** can meet their mission to facilitate application of genomic information and DNA marker technologies for improvement and breeding of wheat, barley, and oat varieties. Small grains breeders must be equipped with genotypic data that give them rapid access to traits of value so they can be incorporated into improved varieties to counter threats to the crops from diseases, insects, and climate; maintain grain quality; increase yields, and improve other agronomic characters. Of particular importance is the hiring of bioinformatics support scientists to analyze and interpret data to meet the needs of scientists doing research on breeding and genetics of small grains, and to integrate the enormous amounts of generated data into the nationwide “Big Data” network being developed by the USDA-ARS. The scientist will also oversee and maintain local genotyping lab computing resources.
- **Barley & Wheat Quality Phenotyping and Research - Funding of \$1.79 million is needed so that all five USDA-ARS Barley and Wheat Quality Laboratories (Madison, WI; Fargo, ND; Manhattan, KS; Wooster, OH; Pullman, WA)** can meet their missions to advance the quality and utilization of barley and wheat grain in the U.S. for the betterment of U.S. consumers, farmers, and the brewing, milling, baking, and processing industries.

In this age of modern genomics, substantial resources have been directed at cutting edge DNA technologies, but adequate resources for the phenotyping (measurable characterization) of barley and wheat quality have not been provided. Wheat and malting barley varieties developed with the aid of genomic technology, but lacking the quality characteristics required for domestic and export market end-users, are of little value.

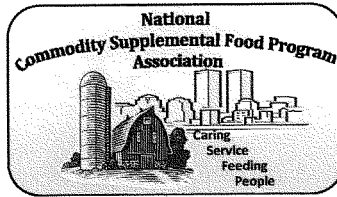
The remaining \$150,000 of our request for the Small Grains Genomic Initiative would be for barley doubled haploid work.

The National Association of Wheat Growers, working with its team of 22 state wheat grower organizations to benefit the wheat industry at state and national levels, appreciates your consideration of our requests.

Sincerely,

Gordon Stoner, President

National Association of Wheat Growers



Barb Packett, Chair, Education Committee  
[barbcsfp2015@gmail.com](mailto:barbcsfp2015@gmail.com)

National Commodity Supplemental Food Program Association

**2017 Appropriations**

**Before the**

**House Appropriations Committee**

**Subcommittee on Agriculture, Rural Development**

**Food and Drug Administration and Related Agencies**

**United States House of Representatives**

**March 15, 2016**

**National CSFP Association**

The Honorable Robert Aderholt:

Mister Chairman and Subcommittee members, thank you for this opportunity to present information regarding the USDA/FNS Commodity Supplemental Food Program (CSFP). The National Commodity Supplemental Food Program Association (NCSFPA) requests that the House Agriculture Appropriations Subcommittee fund CSFP for FY 2017 at \$236,120,000 as requested by the U. S. Department of Agriculture. NCSFPA would also like to thank the Subcommittee for providing sufficient funding in FY 2016 to bring on 1 additional new state with a previously approved plan of operation by USDA. Low-income seniors in the State of Virginia will begin receiving the nutritionally balanced CSFP food packages this year.

CSFP is a unique program which brings together federal and state agencies, along with public and private entities. In FY16, the CSFP provides services through 150 non-profit community and faith-based organizations at 1,800 sites located in 47 states, the District of Columbia, and two Indian Tribal Organizations (Red Lake, Minnesota and Oglala Sioux, South Dakota). Each month 619,000 participants are authorized to receive a nutritionally balanced food box. The program has moved to serve exclusively elderly participants, as required by the Agricultural Act of 2014. Our association thanks the Subcommittee for funding that enables us to continue serving our vulnerable population. Even though the budget request would provide assistance to an additional 20,000 seniors, it is important to note that current participating states have requested another 142,149 caseload slots to meet the need in their service areas. We are sure the additional caseload will be well used.

**CSFP continues to be a testimony to the power of community partnerships with faith-based organizations, farmers, private industry and government agencies. The CSFP**

**offers a unique combination of advantages unparalleled by any other food assistance program:**

- The CSFP specifically targets one of our nation's most nutritionally vulnerable populations: low-income seniors.
- The CSFP provides a monthly selection of food packages tailored to specific nutritional needs.
- The CSFP purchases foods at wholesale prices, directly supporting American farmers. The average food package cost is estimated at \$23, while the retail value is approximately \$50.00.
- The CSFP involves the entire community. Thousands of volunteers and private companies donate money, equipment, and most importantly time and effort to deliver food to needy and homebound seniors. These volunteers not only bring food but companionship and other assistance to seniors who might have limited support systems.

The 2013 supplemental report by Ziliak and Gundersen for the National Foundation to End Senior Hunger; The State of Senior Hunger in America 2011: An Annual Report demonstrated that seniors continue to face ever increasing food insecurity challenges despite the end of the Great Recession. The proportion of seniors age 60 or older *facing hunger* increased by over 15% from 2010 to 2011. Additionally, from 2001 to 2011, the number of seniors experiencing the threat of hunger, the risk of hunger, and hunger has increased by 88%, 109%, and 200%, respectively.

The 1997 report by the National Policy and Resource Center on Nutrition and Aging at Florida International University, Miami-- Elder Insecurities: Poverty, Hunger, and Malnutrition indicated that malnourished elderly patients experience 2 to 20 times more medical

complications, have up to 100% longer hospital stays, and incur hospital costs \$2,000 to \$10,000 higher per stay. Proper nutrition promotes health, treats chronic disease, decreases hospital length of stay and saves health care dollars.

In a 2013 NCSFPA survey, more than half of seniors living alone reported an income of less than \$750 per month. One-half of respondents from two-person households reported an income under \$1,000 per month. 25% were enrolled in the Supplemental Nutrition Assistance Program (SNAP) and 50% said they ran out of food during the month. 70% of senior respondents said they choose between medicine and food.

In 2012, an informal NCSFPA senior participant survey revealed individual accounts of the value of CSFP benefits. An Arkansas recipient tells us that they would not otherwise be able to eat the balanced meals that CSFP provides each month. Arkansas program operators talk about the importance of interaction between seniors and program staff, saying this interaction is very important for the well-being of recipients, and recipients are able to live more stable, self sufficient lives as a result. Colorado participants say that they would not be able to have juice and cereal without CSFP, and many appreciate the program because they are homebound. Seniors in St. Louis, Missouri, say that CSFP foods help them get through to their next checks. Participants in Nebraska say that they don't know what they would do without this food, calling the program a "lifesaver". New Hampshire participants tell us that they use CSFP as a primary source of nutrition each month and would see a dramatic loss in food availability without the program. One Wisconsin recipient said that they would starve without the program, while others said that CSFP on their limited income meant that they could pay their telephone and electric bills.



America is aging and CSFP is an integral part of senior nutrition programming that is a cost effective and nutritionally sound way to ensure that today's seniors remain productive, healthy, and independent to maintain a good quality of life. It is of note that many seniors are now continuing to work at least part-time beyond retirement age to ensure that they can afford basic necessities. As such, CSFP is an important tool for them to remain healthy so that they may continue to be an active part of the work force.

The CSFP Local Agencies are committed grassroots operators with dedicated volunteers fulfilling a mission to provide quality nutrition assistance economically, efficiently, and responsibly. In cooperation with USDA, NCSFPA seeks to meet the current and emerging needs of CSFP participants. NCSFPA wishes to commend the Food Distribution Division of Food and Nutrition Service of the Department of Agriculture for their continued innovations to strengthen the quality of the food package and streamline administration.

**The House Agriculture Appropriations Subcommittee has consistently supported CSFP, acknowledging it as a cost-effective way of providing nutritious supplemental foods. We urge the Subcommittee to provide \$236,120,000 million for the Commodity Supplemental Food Program in order to allow us to provide needed services.**

Again, thank you for your continuing support. We look forward to working with you on behalf of CSFP participants.



Testimony of Deborah Berkowitz, Senior Fellow

National Employment Law Project

Submitted to

House Appropriations Committee

Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related  
Agencies

March 15, 2016

The National Employment Law Project (NELP) submits the following testimony on the Fiscal Year 2017 Appropriations for the Food Safety and Inspection Service regarding the New Poultry Inspection System Program. NELP conducts research, education and advocacy to assure that the basic protections afforded by our nation's labor and employment laws extend to all workers, including low wage workers.

NELP opposes any amendment to the Appropriations bill that would allow poultry plants entering the U.S. Department of Agriculture's (USDA) New Poultry Inspection System (NPIS) program to increase their lines speeds in defiance of the recently promulgated USDA standard: Modernization of Poultry Slaughter Inspection. We strongly urge the Committee to oppose this amendment that would rewrite the USDA's rule, subverting the normal rulemaking process without any formal public comment or input from the public, who along with poultry line workers, will be negatively affected by any change to this rule.

In August of 2014, the USDA's Food Safety and Inspection Service (FSIS) promulgated the final rule for the Modernization of the Poultry Slaughter Inspection System. The final rule went through almost two years of public comment. When the final rule was published, it did not permit an increase in maximum line speeds in poultry plants.

When this rule was first proposed for public comment in 2012, it contained a proposed increase in maximum line speeds in poultry plants. FSIS asked for comment on this provision, specifically acknowledging the potential for an increase in line speeds to effect employee health and safety. According to USDA, this proposed provision increasing allowable line speeds received the most comments from the public. The comments were focused on the negative effects the increased line speeds would have on the health and safety of workers in the poultry slaughter establishments as well as consumer safety.

In response to all the comments received in the rule making, USDA FSIS decided not to increase the line speed from 140 to 175 birds per minute (bpm) in poultry slaughtering facilities. In the preamble to the final rule, the agency further noted concerns regarding 20 plants that are already in a pilot program (HIMP) that allowed these pilot facilities to increase line speeds to 175 bpm. USDA noted that the data from this existing pilot program found that the average line speed in these plants is 131 bpm—well below the currently allowed 140 bpm and far below the 175 permitted.

The primary concern echoed in the many comments from academia, worker organizations and consumer organization was the detrimental effect of increased line speed on the health and safety of the tens of thousands of workers in the industry. Poultry slaughter and processing workers face many serious job hazards that can lead to serious injury, illness and death. In fact workers in poultry plants are injured at almost twice the rate of workers in private industry.

Further the incidence rate of occupational illness cases reported by the industry is more than six times the national average for all U.S. industries. And it is well established, that these rates are under reported. As USDA noted in the preamble to the final rule, and OSHA stated in its new emphasis program in the poultry industry “the literature suggests the likelihood of substantial under-reporting of worker injuries and illnesses by poultry industry employers.”

Poultry processing workers make thousands of forceful cuts a day, using knives and scissors, in cold and damp conditions, with acidic chemicals being sprayed over the meat, and incidentally their bodies, as it moves down the line. Work related musculoskeletal disorders (MSD’s) are of significant concern among poultry processing workers. These disorders, including carpal tunnel syndrome, tendonitis, and epicondylitis, affect the nerves, tendons and muscles. Poultry workers face incidence rates seven times higher than other manufacturing workers for work related carpal tunnel syndrome. In 2014 and 2015, in cooperation with the USDA, the National Institute of Occupational Safety and Health (NIOSH) conducted studies at two different poultry processing facilities and found high prevalence rates among production workers for carpal tunnel syndrome (CTS): 42% and 34%, respectively of CTS among workers.

USDA acknowledged the danger to workers of increased line speeds in the preamble of its final rule, and also acknowledged that more study and review was needed before any change in line speed would be made. There has been no such study or review done since this rule was promulgated. Such a review would have to be prospective and take years—to assure that the safety of the tens of thousands of workers is not sacrificed on the altar of decreased government spending.

Just last month, OSHA sent a hazard alert letter to a poultry company in Ohio for exposing workers to hazardous campylobacter bacteria. Workers at the poultry processing plant

had contracted the infection—which can lead to serious gastrointestinal infection. This same company has racked up nearly \$1.9 million in fines from the U.S. Department of Labor’s Occupational Safety and Health Administration from its two plants in Ohio. OSHA had earlier found that this same company fired a 17 year old after his leg was amputated because of a failure by the company to install a safety mechanism.

That is not an isolated instance. The speed of work in poultry plants already causes far too many workplace injuries and may be impacting consumer safety as well. OSHA citations and newly released reports have found that to keep the lines going at full speed, workers are often denied their legal right to use a bathroom, soiling themselves at work. Poultry processing plants also penalize workers for taking any sick days, so workers come to work sick while handling the meat on the line.

As workers get injured because companies don’t comply with basic safety precautions, they don’t file workers compensation and heal. The companies do everything they can to preclude that. So instead, workers leave the plants. Many plants report turnover between 50-100%.

Poultry processing workers are among the most vulnerable people in the country. Most are minorities and immigrants; some are newly resettled refugees. They are pursuing the American dream—working hard, arduous jobs in a harsh environment—all to help put food on our table.

Congress should not allow the industry to speed up its lines after the USDA studied the issue, heard from the American public, and promulgated a rule that would not allow such an increase. This would be a subversion of the entire rule making process, it would demonstrate utter disregard for the rule of law, and would be a direct slap in the face to the workers and communities that sacrifice to feed America.



March 3, 2016

The Honorable Robert Aderholt  
Chair, Subcommittee on Agriculture, Rural  
Development, Food and Drug Administration, and  
Related Agencies  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Sam Farr  
Ranking Member, Subcommittee on Agriculture,  
Rural Development, Food and Drug Administration,  
and Related Agencies  
U.S. House of Representatives  
Washington, D.C. 20515

RE: Support for USDA Conservation and Energy Programs

Dear Chairman Aderholt and Ranking Member Farr:

National Farmers Union (NFU) strongly supports federal investment in the climate resiliency of the domestic and global food system. Warming trends, increases in extreme weather events and changes in precipitation patterns pose serious challenges to family farmers and ranchers' as they pursue greater global food security. This committee can support American producers in these efforts with funding for conservation and renewable energy.

NFU asks this committee to refrain from changing mandatory funding for farm bill conservation programs and asks that \$760.7 million be appropriated to Conservation Technical Assistance (CTA). Farm bill conservation programs have enormous potential to help producers cope with changing weather. For example, conservation programs can help producers enhance soil health on their operations. Soil health improvements can reduce nutrient runoff, soil erosion and improve yields in droughts. Funding for CTA, contained in Conservation Operations, allows Natural Resource Conservation Service (NRCS) staff to plan and implement conservation practices with producers.

NFU also asks this committee to appropriate a total of \$68.5 million, including mandatory and discretionary funds for the Rural Energy for America Program (REAP), which encourages producers to install renewable generation and energy-efficient equipment on their operations.

Funding these programs described above will have food security benefits much greater than the direct impact on the additional producers USDA will be able to reach. There is an increasing body of knowledge available to help producers make decisions to protect the productivity of their operations in increasing weather volatility, but the information is no help unless they use it. Approaching producers with the programs above, which offer a way for participants to add value to their operations with technical and financial assistance, is an effective way to begin important conversations about weather volatility and how producers can cope.

Thank you for your consideration of our request.

Sincerely,

Roger Johnson  
President

**Testimony Submitted by Steven Etka  
Policy Director, National Organic Coalition  
to the House Agriculture Appropriations Subcommittee  
March 14, 2016**

**Contact Name and Email: Steven Etka, [steveetka@gmail.com](mailto:steveetka@gmail.com)**

Chairman Aderholt, Ranking Member Farr, and Members of the Subcommittee:

I am submitting this testimony on behalf of the National Organic Coalition (NOC) to detail our fiscal year 2017 funding requests for USDA programs of importance to the organic sector.

**USDA/ Agricultural Marketing Service (AMS)**

**National Organic Program**

***Request: \$9.094 million***

Organic agriculture is one of the fastest growing sectors of agriculture, fueled by strong consumer demand. Over the last decade, sales of organic food and beverages have averaged double-digit annual growth. The organic sector has grown to over \$36 billion industry in annual sales with over 21,764 certified organic family farmers and other businesses.

The National Organic Program (NOP) is the agency charged with regulating and enforcing the USDA organic label. NOP was funded at about \$9.02 million for FY 2016. We are requesting \$9.094 million for NOP, consistent with the Administration's FY 2017 budget request.

**USDA (AMS, NASS, ERS)**

**Organic Data Initiative**

***Request: Report language for AMS- Continue and Expand Organic Price Reporting***

***Request: Report language for NASS- Continue and Expand Organic Data Collection***

***Request: Report language for ERS- Continue and Expand Organic Data Analysis Work***

Authorized by Section 7407 of the 2002 Farm Bill, the Organic Production and Marketing Data Initiative states that the "Secretary shall ensure that segregated data on the production and marketing of organic agricultural products is included in the ongoing baseline of data collection regarding agricultural

production and marketing.” In addition to providing mandatory funding, Section 10004 of the 2014 Farm Bill authorizes \$5 million annually in discretionary funding for this effort.

As the organic industry matures and grows at a rapid rate, the lack of national data for the production, pricing, and marketing of organic products has been an impediment to further development of the industry and to the effective functioning of many organic programs within USDA. Organic data collection and analysis at USDA has made significant strides in recent years, but remains in its infancy.

We are requesting report language urging AMS, NASS, and ERS to continue to expand their organic data collection and analysis efforts within its base activities.

### **USDA/ National Institute of Food and Agriculture (NIFA)**

#### **Organic Transitions Program**

***Request: \$5 million***

The Organic Transition Program, authorized by Section 406 of the Agricultural Research, Education and Extension Reform Act (AREERA) for Integrated Research Programs, is a research grant program to help farmers address some of the challenges of organic production and marketing. As the organic industry grows, the demand for research on organic agriculture is experiencing significant growth as well. This research has broad applications to all sectors of agriculture, even beyond the organic sector.

The Organic Transition Program was funded at \$5 million in fiscal year 2010, and about \$4 million for Fiscal Years 2011 through 2016. The Administration’s FY 2017 budget requests level funding. However, we are seeking \$5 million to restore the program to its FY 2010 level, and to better address the growing research needs of the rapidly expanding U.S. organic sector.

Many organic research needs go unmet because of lack of adequate funding. As demand for organic food and beverages continues to grow at a very fast rate, domestic production of organic food has not kept pace, requiring a greater percentage of organic product to be imported to meet the consumer demand. Funding for organic research has not kept pace with the growth in the industry either. USDA’s



National Organic Standards Board annually identifies a long list of organic research priorities, many of which would help address challenges that have limited the growth in domestic production.

The funding increase that we are requesting would help to address these needs. In addition, we are requesting the following report language to accompany the increase in funding for the program:

**“As domestic consumption of organic food and beverages continues to grow, domestic supply is not able to keep up with the demand. USDA’s National Organic Standards Board (NOSB) has identified key organic research priorities, many of which would help to address issues that have limited growth in organic production in this country. The Committee provides an increase in funding for the Organic Transition Program, and urges the agency to strongly consider the NOSB organic research priorities when crafting the fiscal year 2017 RFA for the program.”**

**Agriculture and Food Research Initiative (AFRI)**

***Request: Report language on public cultivar development***

In recent decades, public resources for cultivar development have dwindled, while resources have shifted toward genomics and biotechnology, with a focus on a limited set of major crops. This problem has been particularly acute for organic and sustainable farmers, who seek access to germplasm well suited to their unique cropping systems and their changing local environments and climates.

In Section 7406 of the Food, Conservation, and Energy Act of 2008, the National Research Initiative was merged with the Initiative for Future Agriculture and Food Systems to become the Agriculture and Food Research Initiative (AFRI). Congress included language within AFRI to make “conventional” plant and animal breeding a priority for AFRI research grants, consistent with the concerns expressed by the Appropriations Committee in preceding appropriations cycles.

Unfortunately, USDA has made only modest progress toward addressing the classical breeding Farm Bill and appropriations directives. We request report language stressing that funding for public cultivar and breed development and release should be a distinct priority and funding stream within AFRI.

**Agriculture and Food Research Initiative (AFRI)**

***Request: Report language on organic research***

Organic agriculture is one of the fastest growing, and most promising, sectors of the U.S. agricultural economy. The benefits for organic research benefit not only the organic sector, but conventional farmers as well. Research to help farmers with the latest science on addressing pest problems and nutrient needs on their farms without expensive off-farm inputs is extremely helpful to organic and conventional farmers alike. Yet according to USDA's own data, only 0.1 percent of AFRI dollars were spent on organic research from 2010-14. We are requesting report language urging NIFA to increase funding for the organic research through the AFRI program, to help keep pace with the rapidly growing organic sector, and to help address the shortage of domestic supply to meet growing demand for organic productions.

**Sustainable Agriculture Research and Education (SARE)**

**Request: \$30 million**

The SARE program has successfully funded on-farm research on environmentally sound and profitable practices and systems, including organic production. The reliable information developed and distributed through SARE grants is very helpful to organic farmers. The President's FY 2017 budget requests \$30 million for SARE. We are requesting \$30 million for the combined activities of SARE.

**Food Safety Outreach Program**

**Request: \$10 million**

We are requesting \$10 million to help small and mid-size farms and small processing facilities comply with new proposed food safety regulations. This training program, authorized in the Food Safety Modernization Act of 2010 (FSMA), is one of the best and least costly ways to improve food safety outcomes without resorting to excessive farm regulation. The program received \$5 million in FY 2016. The President's FY 2017 budget requests \$5 million. We are requesting \$10 million for FY 2017, because food safety training for family-scale operations is critical at this stage of FSMA implementation.

**Hatch Act Formula Grants**

***Request: 10 percent increase in funding, targeted to increase the public plant and animal breeding capacity of land grant institutions to address farmers' need for regionally adapted cultivars and breeds.***

The capacity of our nation's land grant institutions (LGUs) to address the needs of local farmers for locally and regionally adapted cultivars and breeds has reached crisis levels, and funding for these efforts has been in a steady decline. As a result, farmers must rely on seeds and breeds that are outdated, and have not been improved to address changing climates, pest challenges, farming systems, and consumer demands. For all regions of our nation to optimize their productive capacity in an environmentally sustainable manner, it is critical that the farmers of the region have access to the most up-to-date cultivars that have been bred in that region to meet ever-changing conditions. A recent survey of LGUs shows that since 1994, the U.S. has lost 33 percent of its public plant breeding programs. On a regional basis, the analysis shows a 47 percent loss in public plant breeding programs in the Northeast, a 33 percent loss in the Midwest, a 35 percent loss in the West, and a 21 percent loss in the Southeast.

Therefore, we are requesting a 10 percent increase in funding for Hatch Act formula grants, to be targeted to foster the next generation of public plant and animal breeders at our national LGUs by focusing on the development of publicly available, regionally adapted cultivars and breeds.

#### **USDA/Rural Business Cooperative Service**

##### **Appropriate Technology Transfer for Rural Areas (ATTRA)**

##### **Request: \$2.5 million**

ATTRA, authorized by Section 6015 on the Agricultural Act of 2014, is a national sustainable agriculture information service providing practical information and technical assistance to farmers, ranchers, Extension agents, and educators interested in sustainable agriculture. ATTRA interacts with the public through its call-in service and website, and provides excellent publications to address some of the frequently asked questions of farmers and educators. We request \$2.5 million for FY 2017 for ATTRA.

Thank you for your consideration of this testimony.



## National Watershed Coalition

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[www.watershedcoalition.org](http://www.watershedcoalition.org)

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Testimony of Mark Gilbert, Chairman

National Watershed Coalition

House Appropriations Committee

**Subcommittee on Agriculture, Rural Development, Food and**

**Drug Administration, and Related Agencies**

Mr. Chairman and Ranking Member:

On behalf of the National Watershed Coalition, I want to provide you with important information as you and your Appropriations Subcommittee on Agriculture craft a Fiscal Year 2017 appropriations bill. Our coalition strongly believes that significant investment is needed in the nation's water resources infrastructure. **The Watershed Protection and Flood Prevention Program (the Watershed Program) administered by the USDA Natural Resources Conservation Service (NRCS) is one critical part of this water resource infrastructure. As the committee deliberates on the Fiscal Year 2017 appropriations bill, the National Watershed Coalition respectfully requests your leadership and support for funding the Watershed Protection and Flood Prevention Program (WPPF) accounts at the following levels: \$300 million for Watershed Operations; \$35 million for Watershed Surveys and Planning; and \$75 million for Watershed Rehabilitation.**

The Watershed Program established through the Watershed Protection and Flood Prevention Act of 1954 (Public Law 83-566) authorizes NRCS to work with local sponsors to install watershed protection and improvement projects. The authorized purposes of the program are flood prevention, water quality or water

quantity protection, agricultural water management, municipal water supply management, fish and wildlife habitat protection and public recreation development. Often projects are mutually supportive of more than one purpose.

These projects create and protect vital infrastructure while conserving natural resources and contributing to local economies. The Watershed Program focuses on both the design and construction of structural water control measures and on land treatment measures. Watershed planning provides a basis for partnering at State and local levels to identify and co-invest in projects reflecting the highest priority needs. This critical infrastructure program protects lives and property, builds community resiliency to extreme weather events, reduces the need for federal disaster assistance, improves water quality and quantity, provides reliable, high quality drinking water, creates and preserves jobs, and broadens the economic base.

Flood prevention and reliable water quality created by the Watershed Program are essential to developing and maintaining strong rural communities. Watershed projects not only protect lives, property and reduce flood damages, but also create economic growth and strengthen local economies. Flood protection is essential to prevent the unnecessary loss of infrastructure and capital to developing economies in rural America. Investing in the Watershed Program expands opportunities for natural resource conservation and provides important national economic and environmental dividends for all Americans. There are countless successful examples that verify the value the Watershed Program brings to rural areas in the form of water supply, recreation, flood protection, and sustainable economic development. Watershed Program projects are an economic engine that make participating communities more productive places to live, work and play.

In a recent report to Congress, NRCS estimates that this program, by avoiding and reducing flood damages, annually provides more than \$352 million in benefits to agriculture and more than \$462 million in benefits to non-agricultural uses, such as roads, bridges, and homes. Other benefits, such as erosion control, water conservation, water quality improvement and irrigation efficiency, exceed \$441 million on agricultural lands

and over \$957 million in recreation, fish and wildlife, rural water supply, and municipal and industrial water supply, annually.

In total, as a result of installed watershed projects made possible through the investment from NRCS and local sponsors, the Watershed Program provides an estimated \$2.2 billion in average annual benefits across the Nation. Another way to view these benefits is by the number of people and communities who benefit directly from watershed projects. The existing projects are protecting over 610,000 homes, 46,000 businesses, 180,000 farms and ranches, 61,000 bridges, and 28,000 domestic water supplies. As a result, over 48 million people across the United States benefit from the Watershed Program every year.<sup>1</sup>

The Watershed Program allows NRCS and local sponsors to deal with a wide range of natural resource issues, including flood control, water quality, sediment and erosion control, water supplies, and water based recreation. Watershed projects also build resilience and reduce the risk and costs associated with the impacts of changing climate conditions. It is a proven, cost-effective program with thousands of success stories.

The Watershed Program also plays an important role in protecting resources vital to the agricultural economy as well. Agricultural water management includes measures that help to manage water supply for agriculture and rural communities. Measures include drainage water management, ground water recharge, irrigation management, water conservation, water quality improvement, and rural water supply. The Watershed Program is federally-assisted, but locally planned and implemented. Local project sponsors use local resources to maintain constructed project measures which contribute directly to a stronger national economy and a responsible national environmental future.

Watershed Rehabilitation is a critical component of the Watershed Protection and Flood Prevention Program and Congress recognized this in the Agricultural Act of 2014 by providing \$262 million for the rehabilitation of

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<sup>1</sup> Report to Congress, USDA-NRCS, Watershed Protection and Flood Prevention Program Multi-Year Plan

upstream flood control dams. Our coalition members continue to work diligently with the NRCS to ensure these funds are spent wisely, efficiently and on the highest priority projects. The funds previously invested in these projects have protected life and property as well as reducing damages from flooding. Projects across the Nation have provided damage reduction and natural resource conservation benefits valued well beyond the initial investment in this program.

We know you are well aware of the extreme weather we have all endured in the recent past. The current predictions for a major El Niño driven wet weather pattern for 2016 add an exclamation point to the serious need for federal investment in this program. The program costs are shared across federal, state and local government. Federal funding is both essential and critical for leveraging state and local funds to plan and complete new projects and rehabilitate older works to maintain the critical stream of benefits they provide.

As the significantly invested local sponsors of watershed projects, our coalition members have felt that we have suffered from an inadequately funded federal partner for much of the past decade. As part of NRCS's recent report to Congress, the agency evaluated specific watershed protection and flood prevention project needs and associated costs. This included a review of the existing authorized but unfunded projects, existing projects needing remediation, and potential new projects. Through this process, 220 projects were identified addressing a variety of purposes from flood prevention and watershed protection to agricultural water management and municipal and industrial water supply. The cost of these projects was estimated at nearly \$1.4 billion from FY 2016 through FY 2020. With your leadership on this issue, great strides can be made to keep the program a strong and effective water resource management tool for both rural and urban communities. The National Watershed Coalition members believe these proposed funding levels are in line with the documented national needs and the Agency's capacity to deliver. We know this funding will keep the Watershed Program a viable key component of the country's water resources infrastructure.

The National Watershed Coalition appreciates your consideration for our funding request for Fiscal Year 2017. As always our local watershed sponsors and Coalition staff would be pleased to provide program information to you or your committee members.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Gilbert", with a long horizontal flourish extending to the right.

Mark Gilbert  
Chairman  
National Watershed Coalition





National WIC Association

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www.nwica.org

**Subject Matter of Testimony: FY 2017 Funding for Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)**

**From: Reverend Douglas A. Greenaway, President and CEO, National WIC Association**

**To:**

Hon. Robert Aderholt, Chair  
Subcommittee on Agriculture, Rural  
Development, FDA, & Related Agencies  
U.S. House of Representatives  
2362A Rayburn House Office Building  
Washington, DC 20515

Hon. Sam Farr, Ranking  
Subcommittee on Agriculture, Rural  
Development, FDA, & Related Agencies  
U.S. House of Representatives  
1016 Longworth House Office Building  
Washington, DC 20515

**Date: March 15, 2016**

**Dear Chairman Aderholt and Ranking Member Farr:**

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), administered by the Food and Nutrition Service at the United States Department of Agriculture, has been instrumental in improving at-risk women and children's health, growth and development and preventing health problems for 42 years. We are relieved and grateful that WIC was sufficiently funded in Fiscal Year 2016, and we request that WIC continue to be funded adequately in the coming Fiscal Year. We urge you to provide \$6.37 billion for WIC in the Fiscal Year 2017 Agriculture Appropriations bill and assure at least \$150 million in the WIC contingency fund. This funding level assures that no eligible applicants will be turned away, maintains current and anticipated WIC participation levels, assures adequate nutrition services and administration (NSA) funding, responds adequately to forecasts of food cost inflation, and provides funds for nutrition services to maintain clinic staffing and assure competitive salaries. We encourage you to continue to monitor caseload and food costs to assure that WIC is appropriately funded to meet participant and program needs.

Janet Jackson Charles  
Washington  
Chair

Donna Bister  
Vermont  
Chair-Elect

Theresa Landau  
New York  
Chair Emeritus

Diana Hoek  
Massachusetts  
Secretary

Sue Woodbury  
Oregon  
Treasurer

Rev. Douglas A. Greenaway  
Washington, DC  
President & CEO

We also urge you to provide:

- \$90 million in unencumbered set aside funding for breastfeeding peer counselor initiatives. WIC breastfeeding peer counselors have helped increase breastfeeding rates in the WIC population. Between 1998 and 2012, breastfeeding rates among WIC participants rose from 41.3% to 70%.
- \$75 million in unencumbered set aside funding for Management Information Systems (MIS) and Electronic Benefit Transfer (EBT). EBT – an invaluable program integrity tool – is the most efficient, cost effective way of delivering participant benefits, and is advantageous to participants, retailers, and State agencies. NWA strongly supports the need for consistent, national standards for EBT technology solutions to assure a smooth transition of WIC service delivery from paper based systems to EBT systems and full WIC EBT implementation in all States by the close of fiscal year 2020. In addition to funding for EBT, in many states financial resources are also needed to develop and maintain MIS and so that systems are able to transition into electronic service delivery.
- \$6.02 million for enhanced fruit & vegetable cash value vouchers for fully breastfeeding women. The Institute of Medicine (IOM) recommends an enhanced breastfeeding food package to encourage and support mothers who choose to fully breastfeed.
- \$14 million in unencumbered infrastructure funding.
- \$26 million in unencumbered set aside funding for program initiatives and evaluation. Failure to fund research and evaluation studies leaves policymakers without the appropriate tools to make necessary funding decisions.

Additionally, we urge you to support efforts to protect nutrition science and the regulatory and science review process. The nutritional value of the food packages and the types

and kinds of foods included in the WIC food packages are and must remain science-based and immune from politics and the legislative process. This assures public trust and confidence in the health and nutritional value of WIC foods. The IOM is currently undertaking a second review of the food packages, expected to be released in 2017. The food packages will be updated to reflect the 2015 Dietary Guidelines for Americans.

WIC is the nation's premier, preventive, mission-driven, short-term public health nutrition program. It influences lifetime nutrition and health behaviors in a targeted, high-risk population of low-income mothers and young children at risk for developing nutrition-related diseases and disorders. Serving over 8.2 million mothers and young children, including over half of all infants in the country, WIC provides nutrition education, breastfeeding education and support, referrals to medical and social services, and a low-cost nutritious food package.

In addition to ensuring the nutritional health of individual mothers and young children, WIC also strengthens broader communities in a number of ways. First, WIC increases the availability of healthy foods for participants **and** non-participants, through its effects on retail food stores and food manufacturers. WIC-authorized retail food stores are required to stock minimum varieties and quantities of WIC foods, which are, by definition, healthy foods. Increased local access to these healthy foods could have beneficial long-term impacts on diet quality and health among both WIC and non-WIC households. Second, WIC brings money to local economies. In FY 2013, \$6.3 billion of WIC food benefits were spent in local communities across the country.

Since 1997, Appropriators of both parties have recognized the great value WIC adds to communities across the nation, ensuring that WIC has had sufficient funding to serve all eligible mothers and young children who apply. WIC also elicits broad support across political,

ideological, ethnic, and socio-economic categories in America. Voters oppose cutting funding for WIC: A bi-partisan national survey of 1,000 likely November 2012 voters indicated nearly 3 in 4 Americans want WIC funding to remain the same or increase with nearly twice as many favoring an increase as wanting a reduction.

Grounded in science, efficiency, and compassion, WIC is a demonstrably effective program that provides significant returns on investment:

- At just 7.91% of total program costs, nationally, WIC program management costs are low.
- In 2014, WIC served approximately 2 million participants with \$1.8 billion in non-tax revenues generated through competitive bidding of infant formula and other cost containment initiatives.
- Studies show that WIC has been effective in improving birth outcomes, reducing expensive pre-term and low birth-weight births. Preterm births cost the U.S. over \$26 billion a year, with average first year medical costs for a premature/low birth-weight baby of \$49,033 compared to \$4,551 for a baby born without complications.
- WIC's increased breastfeeding rates contribute to reduced risk for developing obesity in mothers and children, and are also associated with lower rates of infectious diseases, sudden infant death syndrome, type 2 diabetes, postpartum depression, and certain cancers. If 90% of US mothers exclusively breastfed their infants to 6 months, the US would save \$13 billion each year in medical expenses and prevent over 900 deaths annually.
- WIC children are more likely to consume key nutrients, receive immunizations on time, and have high cognitive development scores than their peers not participating in WIC. A

recent national study as well as studies in Los Angeles County and New York State have documented the reduction in obesity rates in the WIC child population over the past several years.

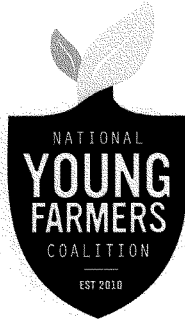
Without adequate funding, WIC programs will need to move some participants to waitlists. Removing participants from WIC due to inadequate funding has both short and long-term consequences. Every WIC client has at least one nutritional risk and many have more than one risk. In the short-term, mothers and young children cut from WIC will not have access to WIC nutrition knowledge and WIC's nutritious supplemental foods. In the long-term, healthy childhood growth and development may be hampered, and lifelong healthy behaviors thwarted. Ultimately, these mothers and children may suffer the physical, mental and financial costs that result from health and development problems during the rest of life, impacting American economic productivity and national security. Preventing eligible mothers and young children seeking WIC services from accessing the program deprives young children a healthy start in life and the opportunity to thrive.

In light of the critical role WIC plays in building a better future for America's women and children, we urge your full support of these requests.

Sincerely,

Reverend Douglas A. Greenaway, President and CEO, National WIC Association

Point of Contact: Elisabet Eppes, [eeppes@nwica.org](mailto:eeppes@nwica.org)



**Memorandum from:** Eric Hansen (eric@youngfarmers.org)  
 Policy Analyst, National Young Farmers Coalition  
**Date:** March 14, 2016  
**Subject:** FY 2017 Appropriations Priorities

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Thank you for the opportunity to share our appropriations priorities for fiscal year 2017.

Congress and the USDA have made significant progress in recent years towards better serving young, beginning farmers. The National Young Farmers Coalition (NYFC) is excited for the role federal funding can play furthering this growth. NYFC requests the following funding be included in the FY16 Agriculture Appropriations bill:

1. New, Beginning, and Veteran Farmers and Ranchers Regional Coordinators (\$3.9 mil)
2. NRCS's Agricultural Conservation Easement Program (ACEP) at the mandatory program level (\$500 mil)
3. FSA's Direct Operating Loans (to provide \$1.46 billion in loans) and Direct Farm Ownership Loans (to provide \$1.5 billion in loans)
4. Beginning Farmer and Rancher Individual Development Accounts (\$1.5 mil)
5. Food Safety Outreach Program (\$10 mil)

NYFC represents, mobilizes, and engages young farmers to ensure their success. We envision a country where young people who are willing to work, get trained and take a little risk can

**NATIONAL YOUNG FARMERS COALITION**

PO BOX 1074 HUDSON, NY 12534 | 917-318-1488 | YOUNGFARMERS.ORG

support themselves and their families in farming. NYFC has 29 local chapters across the country and represents more than 1,400 dues-paying members.

***1. New, Beginning, and Veteran Farmers and Ranchers Regional Coordinators (\$3.9 mil)***

NYFC has been working with the USDA to better serve young and beginning farmers. In contrast to established farmers or those coming from a farm family, beginning first-generation farmers require different services from the USDA and need more help than others finding these services. For example, young farmers often seek smaller operating loans when launching a business than an established farmer. With this in mind, NYFC helped create the popular microloan program at the Farm Service Agency (FSA) that provides operating loans at an appropriate scale for young farmers. Innovative program design and outreach has a proven track record of reaching previously underserved young farmers.

To build on this success, NYFC has been urging the USDA, and FSA in particular, to provide specialized resources for young, beginning farmers and dedicated staff to help these farmers navigate the USDA. The proposed regional coordinators do precisely this. The twenty-five staff positions funded by this request will help young farmers access the services that are already available to them, but underutilized, such as conservation programs and farm loans. **The \$3.9 million in funding for the proposed outreach staff, as requested in the President's budget, is critical** to amplify and leverage the resources already provided for farmers at the USDA and build the next generation of our nation's farmers.

***2. NRCS's Agricultural Conservation Easement Program (ACEP) at the Mandatory Program Level (\$500 mil)***

Between 2007 and 2012, over 7 million acres of agricultural land were developed to nonfarm use in the United States.<sup>1</sup> This contributes to the more than 24 million acres converted from agriculture between 1982 and 2010, a disproportionately high amount of which contained prime soils.<sup>2</sup> Agricultural conservation easements are a proven tool to stem this tide and protect farmland from development. ACEP provides a critical source of matching funds for the land trusts and state and local programs that are purchasing these easements across the country.

**The 2014 Farm Bill provided \$500 million in mandatory funding for ACEP in fiscal year 2017. It is critical that this program retains its full, mandatory funding.** Even with this full mandatory funding level, this program is funded at \$81 million less than its component programs prior to the 2014 Farm Bill. An additional reduction in funding would be devastating to this program.

***3. FSA's Direct Operating Loans (to provide \$1.46 billion in loans) and Direct Farm Ownership Loans (to provide \$1.5 billion in loans)***

FSA operating and ownership loans are crucial for young farmers. Without these loans, many of these individuals would not be able to access credit for their farm. In FY 2015, the funding

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<sup>1</sup> USDA National Agriculture Statistics Service. (2014). *2012 Census of Agriculture*.

[http://www.agcensus.usda.gov/Publications/2012/Full\\_Report/Volume\\_1\\_Chapter\\_1\\_US/st99\\_1\\_001\\_001.pdf](http://www.agcensus.usda.gov/Publications/2012/Full_Report/Volume_1_Chapter_1_US/st99_1_001_001.pdf)

<sup>2</sup> American Farmland Trust. (n.d.). Farmland by the Numbers.

<http://www.farmland.org/programs/protection/American-Farmland-Trust-Farmland-Protection-Farmland-by-the-numbers.asp>



available for Direct Farm Ownership Loans was dramatically increased – from approximately \$.5 billion to \$1.5 billion. NYFC was excited to see this increase, since we have heard numerous complaints from farmers about insufficient funds in past years.

While this increased loan level met the demand for Direct Farm Ownership Loans in FY 2016, we faced a shortfall for Direct Farm Operating Loans. With the recent fluctuations in crop prices, the lending market has grown more cautious and more farmers have needed to turn to FSA for their credit needs. Without an increase in loan authority, we expect a shortfall in Direct Farm Operating Loans in FY 2017 and a significant backlog of loan applications by beginning farmers and others not served by commercial credit. This would be a serious problem for both these individual farmers and our broader agricultural community, which is facing a shortage of beginning farmers. **We strongly support funding for these loan programs sufficient to provide \$1.46 billion in Direct Farm Operating Loans and \$1.5 billion in Direct Farm Ownership Loans.**

#### ***4. Beginning Farmer and Rancher Individual Development Accounts (\$1.5 mil)***

Individual development accounts (IDAs) help young and beginning farmers become successful entrepreneurs by matching funds that they put into a savings account while taking required business planning courses. IDA programs have been instrumental in helping young people start businesses in states including Michigan, Iowa, and California. The Beginning Farmer and Rancher IDA pilot program was created in the 2008 Farm Bill and reauthorized in 2014. In spite of the successes of privately run programs around the country, the federal IDA pilot program has

never been funded. As the existing farmer population continues to age and the need for young farmers grows, **it has never been more important that the federal IDA pilot program receive \$1.5 million in funding.**

#### ***5. Food Safety Outreach Program (\$10 mil)***

Food safety training has become a particularly important concern for young farmers. The new food safety regulations, finalized by the Food and Drug Administration (FDA) last year, set forth expansive new requirements for farms. Farmers are going to need training and outreach in order to understand the maze of new requirements being asked of them. The Food Safety Outreach Program, administered by USDA's National Institute for Food and Agriculture (NIFA), was authorized to meet this need. It funds farmer and food processor training efforts focused on helping small and mid-sized family farms; beginning farmers; diversified, sustainable, and organic agricultural operations; and on-farm processors adapt to new regulatory pressures.

We are very grateful for the \$5 million funding that was appropriated to this program last year. However, this only scratches the surface of the on-the-ground need for training and outreach. **We request the Food Safety Outreach Program be funded at \$10 million.** At this funding level, the Food Safety Outreach Program would reach roughly 16,600 farmers across the country. While this number is small relative to the need, without any training, the final FDA regulations will hurt small and mid sized producers and processors and fall far short of the goal of improving food safety.



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**Non-land-grant Agricultural and Renewable Resources Universities**

**Appropriations Request (FY17) to U.S. House Appropriations Committee, Subcommittee  
on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies**

**Witness Name:** Dr. Todd A. Winters, Dean, College of Agriculture and Applied Sciences,  
University of Tennessee at Martin, and President, Non-land-grant Agricultural and Renewable  
Resources Universities (NARRU).

**Subject Matter of Testimony:** Competitive Capacity Building Grants for Non-Land-Grant  
Colleges of Agriculture

**Point of Contact Names and Email Addresses:**

Dr. Todd Winters, NARRU President: [winters@utm.edu](mailto:winters@utm.edu)

Dr. Tim Burcham, NARRU Legislative Affairs Chair: [tburcham@astate.edu](mailto:tburcham@astate.edu)

### **Appropriation Request:**

The Non-land-grant Agricultural and Renewable Resources Universities (NARRU) is requesting that \$5 million be appropriated in FY17 to the Non-land-grant College of Agriculture Competitive Capacity Building Grants program re-authorized in the Agriculture Act of 2014 (2014 Farm Bill). This FY17 appropriation request is equal to the FY16 appropriation for this program.

**68 Institutions in 23 States** - Non-Land-Grant Colleges of Agriculture (NLGCA) have a long and successful history of educating and preparing professionals in agriculture, food, renewable resources and many related fields. About half of the baccalaureate degrees awarded each year in agriculture, food, and renewable resources related majors come from the 68 NLGCA's located in 23 states. These public colleges and universities provide important translational research and outreach benefits through graduate education (MS and Ph.D. level) as well. NLGCA's are making a significant contribution, nationwide, in developing a highly skilled workforce for agriculture, food, and renewable resource industries. A list of eligible NLGCA universities are found at:

[http://nifa.usda.gov/sites/default/files/resource\\_9\\_15\\_2015%20NLGCA%20Official%20List.pdf](http://nifa.usda.gov/sites/default/files/resource_9_15_2015%20NLGCA%20Official%20List.pdf)

**Graduates with Real-World Skills** - NLGCA's offer accessible and affordable opportunities in agriculture, food, and renewable resource education for over 50,000 students annually. Their academic programs and graduates are unique because of the incorporation of

real world, hands-on experiences in undergraduate research, independent studies, and internships on campus farms and laboratories, directly with producers and industry, and in government agencies.

**Graduates that are Workplace Ready** - Theory and practice are balanced through science-based curricula that emphasize business principles, critical thinking, problem solving, decision-making, creativity, communications, and teamwork. NLGCA's graduates have a strong work ethic and are ready to enter industry and government careers, or return to production-oriented positions on our nation's farms and ranches. Many also pursue graduate studies, often at land-grant institutions.

**Double Food Production by 2050** - Congress regularly provides many authorizations for agriculture-related research, education, and extension programming. While these authorizations are generally available to NLGCA's, these institutions often lack the capacity to compete with land-grant universities and other entities for federal funds. The 2008 Farm Bill authorized a program to provide competitive grants to NLGCA's to help build such capacity. The program was re-authorized in the 2014 Farm Bill. In recognition of the need to more than double food production on existing land resources to meet the global food needs by 2050, increasing the research, educational, and outreach capacity of the NLGCA's makes sense.

Since the first awards in FY12, the NLGCA Capacity Building Grants have been instrumental in developing academic, research, and outreach capabilities at NLGCA institutions. Of particular interest is the number of NLGCA awards that have facilitated multi-

institutional collaboration and regional projects. Progress on enhancing capacity of the NLGCA's has been very positive and must be continued to maximize NLGCA's ability to compete for Agriculture and Food Research Initiative (AFRI) funding that seeks to meet the food, fiber and renewable resource needs of a growing world.

**FY17 Request:** Provide \$5.0 million to the competitive grants program to build agriculture, food, and renewable resource related education, research, and outreach capacity at the Non-Land-Grant Colleges of Agriculture as re-authorized in the Agriculture Act of 2014 (2014 Farm Bill). By making this funding available on a competitive basis to qualifying NLGCA's, Congress can be assured the funds will be leveraged to the greatest extent possible.

April Snell, Executive Director, Oregon Water Resources Congress

Testimony submitted to the United States House Appropriations Committee Subcommittee on

Agriculture, Rural Development, Food and Drug Administration, and Related Agencies

March 15, 2016

**RE: FY17 Budget for USDA's Natural Resources Conservation Service Programs**

The Oregon Water Resources Congress (OWRC) strongly supports the FY17 budget for the U.S. Department of Agriculture's (USDA) Natural Resources Conservation Service (NRCS) programs. It is crucial that the Regional Conservation Partnership Program (RCPP) has adequate resources and we request a minimum of \$200 million to leverage partnerships and tackle the complex natural resources conservation issues facing the nation. Furthermore, we are strongly supportive of coordinated federal agency watershed planning and request funding for the Small Watershed Rehabilitation Program, a minimum of \$250 million.

OWRC was established in 1912 as a trade association to support the protection of water rights and promote the wise stewardship of water resources statewide. OWRC members are local governmental entities, which include irrigation districts, water control districts, drainage districts, water improvement districts, and other agricultural water suppliers that deliver water to roughly 1/3 of all irrigated land in Oregon. These water stewards operate complex water management systems, including water supply reservoirs, canals, pipelines, and hydropower production.

**RCPP Benefits & Needs**

OWRC strongly supports the RCPP, and while we are encouraged by the request for \$100 million in FY17 in the President's budget, an increase of \$7 million from 2016 enacted levels, additional funding is still needed. The RCPP is a critical tool for districts and other agricultural water suppliers in developing and implementing water and energy conservation

projects in Oregon. In the past, the Agricultural Water Enhancement Program (AWEP) has been highly successful in developing cooperative approaches on a basin-wide scale, and historically, the Cooperative Conservation Partnership Initiative (CCPI) partnerships allowed Federal, State and Local interests to address Endangered Species Act (ESA) and Clean Water Act (CWA) issues in watershed basins and sub basins.

Federal support of water conservation activities funded through NRCS programs, including the RCPP, is essential to the conservation of our natural resources and critical to protecting our food, energy and water supply. Financial assistance has diminished in recent years and there is a backlog of unmet need. For example, in February 2016, USDA announced that they received 265 applications requesting nearly \$900 million dollars, which was four times the amount of available funding. They were able to only fund 84 projects.

OWRC would like to thank the Administration for not cutting funding to Environmental Quality Incentives Program (EQIP), in accordance with the 2014 Farm Bill. As demonstrated by the huge demand for RCPP funding, programs like EQIP need to remain in light of the need for investment in conservation projects. While we applaud the continued existence of EQIP, \$1.65 billion is not enough to keep the program effective. It is essential the EQIP have at least \$2 billion in appropriations funding if Congress would like to see widespread results. Furthermore, with the numerous new and potential listings under ESA and increased water regulations under the CWA, there is a dire need for additional funding to support conservation efforts nationwide.

While we recognize that the Administration has increased funding for some NRCS programs, the need for additional financial assistance still far outweighs the proposed budget. NRCS programs are essential to irrigation districts in developing and implementing conservation projects that benefit not only the individual farmers they serve but also the entire watershed and



community as a whole. Furthermore, conservation projects also benefit the economy through job creation and ensuring the future viability of American agriculture.

RCPP helps fill a funding void for multi-partner conservation projects and allow farmers to pool together and leverage the dollars invested in the off-farm project with the addition of EQIP on-farm projects. The effects of drought and climate change combined with ESA and CWA regulation has created a daunting set of circumstances for irrigated agriculture in the West. RCPP and EQIP have become an essential lifeline for farmers to adapt to climate change. It is critical to increase funding for new eligible RCPP projects that benefit the environment and economy and alleviate some of the negative effects of drought and climate change.

### **Examples of Successful AWEP Projects in Oregon**

Oregon has had several successful AWEP projects over the past several years, including three from our member districts (described below). Additionally, in Oregon, NRCS is helping develop the Save Water, Save Energy Initiative, a multi-agency cooperative effort to develop a clearinghouse of information on financial incentives and technical expertise to assist districts and their water users in implementing conservation measures. Additional innovative projects like these could be developed and implemented in Oregon if more funding is made available.

- **The Whychus Creek/Three Sisters Irrigation District Collaborative Restoration Project** focuses on irrigation water efficiency with irrigation improvements in the Upper Division of the Three Sisters Irrigation District, which is the project partner. The effort improves stream flows and water quality for native fish while providing farmers a reliable supply of water. **FY13 Funding: \$180,000; FY12 \$251,300**
- **The Talent Irrigation District Project** works with water users to install conservation practices that utilizes limited surface water resources, improves water quality on flood

irrigated land by converting to more efficient irrigation systems, and applies irrigation water management to eliminate runoff. **FY13 Funding: \$0; FY12 Funding: \$4,470**

- The **Willow Creek Project** helps landowners in the Lower Willow Creek Watershed portion of Malheur County convert to water-saving irrigation systems, reduces irrigation runoff, and improves water quality in Willow Creek and Malheur River. The project partner is the Vale Oregon Irrigation District. **FY13 Funding: \$180,000; FY12 \$251,300**

### **Small Watershed Rehabilitation Program and Watershed Planning Needs**

OWRC also strongly supports the Small Watershed Rehabilitation Program. Two of our members, Sutherlin Water Control District (SWCD) and Middle Fork Irrigation District (MFID) have dams that were built under PL-566. SWCD and MFID have received funds to begin the long and expensive process of updating their 50 year old dams to today's standards for safety, however; both districts will need continued funding from the Small Watershed Rehabilitation Program to fully update their infrastructure.

SWCD has two dams built under PL-566 and while they were built to seismic standards 50 years ago, they do not meet today's standards for earthquakes. SWCD's dams serve as multi-purpose storage for the community; providing flood control, irrigation water, municipal water and recreation. Additionally, it is important to note that even a small earthquake has the potential to severely damage the dams and cause intensive flooding and damage in the surrounding area. To date, SWCD has been authorized to receive funding for planning, design and construction of one of their dams and planning and design on the other. However, SWCD will still need considerable funding dollars to complete construction on the second dam.

MFID is responsible for the management and maintenance of Clear Branch Dam, a PL-566 dam within the Hood River watershed, which provides a clean, dependable water supply and

distribution system for the irrigation of pears, apples, cherries and other crops. Rehabilitation of the dam is needed to protect the public from flooding, for access to a clean and dependable water supply, and to maintain agricultural productivity. Additionally Laurance Lake, which is formed by Clear Branch Dam, and its tributaries, are the primary spawning and rearing habitat for Hood River Basin Bull Trout, a threatened species under ESA. Rehabilitation of Clear Branch Dam will improve fish passage connectivity for Bull Trout and improve water temperature for spawning, rearing and migration.

Once planning and design studies are complete, both MFID and SWCD will know what the costs will be to make the necessary improvements to their dams, which is currently estimated at over \$10 million for both SWCD dams and \$9.8 million for MFID. In light of the high costs to fix just 3 of the PL-566 dams, a minimum of \$250 million is needed to address and repair high priority dams like the ones here in Oregon.

Our member districts, the farms and other water users they serve, and the communities in which they are located benefit greatly from the NRCS programs described in our testimony. Oregon's agricultural community is actively committed to water conservation programs, but those programs require robust Federal participation if the agricultural community is to be able to continue its efforts to address Oregon's water supply needs through conservation. Increasing the budget for NRCS programs is a strategic investment that will pay both environmental and economic dividends to Oregonians and America as a whole. Thank you for the opportunity to provide testimony on the proposed FY17 budget for the USDA's NRCS Programs.

Sincerely, April Snell, Executive Director,

Contact: [aprils@owrc.org](mailto:aprils@owrc.org); 795 Winter St. NE, Salem, OR 97301



Celebrating 25 Years

**Testimony Submitted by Jane E. Shey Policy Associate,**

**Organic Farming Research Foundation**

**to the House Appropriations Committee, Subcommittee on Agriculture,**

**Rural Development, Food and Drug Administration and Related Agencies**

**March 15, 2016**

**Contact Name and Email: Jane Shey, [jshey@ofrf.org](mailto:jshey@ofrf.org)**

**Chairman Aderholt, Ranking Member Farr, and Members of the Subcommittee:**

I am submitting this testimony on behalf of the Organic Farming Research Foundation (OFRF) to detail our fiscal year 2017 funding requests for USDA programs of importance to the organic farming sector.

**USDA/ National Institute of Food and Agriculture (NIFA)**

**Organic Transitions Program Request: \$5 million**

The Organic Transition Program, is a critical research grant program that helps farmers address some of the challenges of organic production and marketing.

The demand for research on organic agriculture is outpacing the available funds

in this program. According to NIFA, only 38% of the applicants to this program receive funding.

USDA's National Organic Standards Board (NOSB) has identified a number of organic research priorities that cannot be funded due to a lack of resources. An increase in the Organic Transition Program would allow the

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NOSB to address some of the research issues that limit the growth of the organic industry. And given the innovative nature of organic agriculture, many of these research projects benefit all farmers, not just those in the organic sector. The Organic Transition Program was funded at \$5 million in fiscal year 2010, and about \$4 million for Fiscal Years 2011 through 2015. We are seeking \$5 million to restore the program to its FY 2010 level to in order to address the current low funding rate for this program.

**USDA/ Agricultural Marketing Service (AMS)**

**National Organic Program Request: \$15 million**

The National Organic Program is the regulatory program housed within the USDA Agricultural Marketing Service responsible for developing national standards for certified organic agricultural products. These standards assure consumers that products with the USDA organic seal meet consistent, uniform standards. The NOP is vital to meeting growing consumer demand for organic products. Recognizing continued growth of the industry, we ask for \$15 million, the full amount authorized in the 2014 Farm Bill. This amount reflects the strong growth rate of the sector. The industry currently returns over \$200 for every \$1 spent on the NOP, so an increased investment would garner a strong return for the federal government. Moreover, this would give NOP the resources it needs to fully enforce the organic regulations globally, to continue to develop international equivalence arrangements to expand the market for American organic products worldwide; and to develop organic standards for emerging sectors.

**USDA/ National Institute of Food and Agriculture (NIFA) - Agriculture and Food Research**

**Initiative- Public Cultivar and Breed Development - Report Language**

Section 7406 of the Food, Conservation, and Energy Act of 2008 specifies priority areas with the Agriculture and Food Research Initiative [AFRI], including an emphasis on conventional (classical) plant and animal breeding. The Committee strongly concurs with the intent of this section, and notes the importance of having publicly available cultivars and breeds that are specifically bred to be adapted to the soils, climates, and farming systems of farmers of all regions. The Committee reiterates the request made in the Fiscal Year 2016 Senate report, and strongly urges NIFA to make public cultivar and breed development an increased priority for funding within the AFRI program and to create a separate priority area for this important work. The Committee further requests a report from the agency as to its plans for implementing this important requirement.

**USDA/ National Institute of Food and Agriculture (NIFA) - Agriculture and Food Research**

**Initiative- Organic Research**

As in recent years, the Committee continues to prioritize funding for the Agriculture and Food Research Initiative (AFRI), as the flagship competitive grants research program for agriculture. However, in doing so, it is critical that the agency take actions to ensure that AFRI meets the needs of the full spectrum of the U.S. food and agriculture sector. The Committee notes that only about 0.1 percent of AFRI funding was used for research to address challenges of the U.S. organic sector during the period of Fiscal Years 2010-2014. As the organic sector struggles to boost domestic production in order to respond to the growing consumer demand for organic products, funding for organic research is critical, and the AFRI program should be part of that

solution. The Committee urges the agency to execute a plan to incorporate organic research needs into the AFRI program more fully, and requests a report on the progress toward that goal.

**USDA/Sustainable Agriculture Research and Education (SARE)**

**Request: \$30 million**

The SARE program is another valuable research program with a focus on environmentally sound practices and systems, with organic production research as one of the beneficiaries. Consistent with the increased demand for organic research, as well as the challenges presented by a changing climate, we are requesting \$30 million for the SARE Program to assist farmers as they try to improve and adjust their growing practices.

**USDA/Rural Business Cooperative Service - Appropriate Technology Transfer for Rural Areas (ATTRA)**

**Request: \$2.75 million**

ATTRA, a national sustainable agriculture information service, is an important source of information and technical assistance for for farmers, ranchers, Extension agents, and educators on sustainable agriculture.

**USDA/Conservation Technical Assistance**

**Request: \$760.7 million**

Conservation Technical Assistance (CTA), a subset of Conservation Operations, is the backbone of USDA's conservation programs. Through CTA, NRCS field staff work with farmers to develop and implement conservation plans to conserve resources on their farms. NRCS also uses CTA funds to assess conservation practices and systems, and to collect, analyze, and disseminate data on the condition of the nation's natural resources. The President's FY 2017 budget request

proposes to increase CTA funding by 2.5 percent from \$741.6 million to \$760.7 million. We urge you to approve this increase, which will help more producers develop site-specific plans to conserve water, prepare for extreme weather, and address natural resource concerns on their land. Thank you for your consideration of this testimony.





Statement of Laura Batcha, Executive Director & CEO; [lbatcha@ota.com](mailto:lbatcha@ota.com)  
 Regarding Fiscal Year 2016 Agricultural Appropriations  
 Point of Contact: Marni Karlin, Vice President of Government Affairs and General Counsel  
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March 15, 2016

Chairman Aderholt, Ranking Member Farr, and Members of the Subcommittee, I am Laura Batcha, Executive Director and CEO of the Organic Trade Association (OTA).<sup>1</sup> The organic agricultural economy continues to be one of the fastest-growing sectors of American agriculture. The Organic Foods Production Act of 1990 (OFPA) set in motion the creation of a vibrant marketplace that has grown to \$39 billion in sales, at double digit growth rates in recent years. The industry is comprised of over 19,500 American organic businesses, and is creating jobs in the manufacturing sector at four times the rate of the economy as a whole.

Despite the growth in organic production, demand is outpacing supply. Organic food sales currently make up nearly 5% of total food sales, while acreage devoted to organic agriculture is less than 1% of total U.S. cropland. Moreover, consumer demand continues to grow. Over 80% of U.S. families – who span racial and socioeconomic lines – buy organic. Organic is no longer a niche, it is a mainstream market – and a distinct production system with independent marketplace dynamics. When viewed as a distinct class, organic ranks fourth in food/feed crop production at farm-gate values. This parallel stream of commerce and agricultural production is a bright spot in the American marketplace of innovation and entrepreneurship.

<sup>1</sup> The Organic Trade Association (OTA) is the membership-based business association for organic agriculture and products in North America. OTA is the leading voice for the organic trade in the United States, representing over 8,500 organic businesses across 50 states. Its members include growers, shippers, processors, certifiers, farmers' associations, distributors, importers, exporters, consultants, retailers and others. OTA's Board of Directors is democratically elected by its members. OTA's mission is to promote and protect ORGANIC with a unifying voice that serves and engages its diverse members from farm to marketplace.



The 2014 Farm Bill offered an enhanced array of authorities and resources to help the organic sector continue to grow, innovate, create new markets and jobs, provide certified operations new tools to succeed, and ensure access to safe and nutritious food supply. To facilitate this, we respectfully request the following funding levels for programs whose mandate is to support the growth of the organic industry: **USDA (AMS) National Organic Program - \$15 million; USDA (NIFA) Organic Transition Research Program - \$5 million; USDA (AMS) Organic Data Initiative - \$309,000; and USDA (NASS) Organic Data Initiative - \$250,000. We also request report language urging USDA to ensure organic operations have full access to the entire suite of programs at the Department.**

#### **National Organic Program (NOP)**

OTA requests \$15 million for the National Organic Program, which enforces the organic regulations and ensures they evolve to keep pace with consumer expectations – and whose strength is vital to meeting growing consumer demand. Recognizing the continued strong growth of the industry, we ask for \$15 million, the full amount authorized in the 2014 Farm Bill. The program has been historically underfunded, but the industry returns over \$200 for every \$1 spent on NOP, so an increased investment would garner a strong return for the federal government. Such investment would give NOP the resources it needs to fully enforce the organic regulations globally, continue to develop international equivalence arrangements to expand the global market for American organic products, and develop organic standards for emerging sectors.

#### **National Organic Certification Cost-Share Program**

The National Organic Certification Cost-Share Program (NOCCSP) assists producers and handlers of agricultural products in obtaining certification; but it is not currently being implemented using all available authority granted by Congress. Report language directing USDA



to act to the full extent of its authority would support the Department-wide desire to utilize all available programs to support transition, and would also support State organic programs, which are critical to enforcement.

We request the following report language: "Congress directs the U.S. Department of Agriculture to act to the full extent of its authority in administering the National Organic Certification Cost-Share Program to producers and handlers of agricultural products obtaining certification under the national organic production program. This includes reimbursing State organic program fees, as well as certification costs associated with transition to organic production and handling. In particular, USDA should revise the USDA Terms and Conditions document for the Organic Certification Cost-Share Programs in accordance with the letter and intent of the law."

#### **Organic Transition Research Program (ORG)**

OTA requests that ORG, which supports research, extension and higher education programs for organic producers, be funded at \$5 million. ORG consistently receives many more funding requests than it can accommodate, and while organic retail sales have grown to nearly 5% of retail agriculture sales, research funding provided to organic agriculture has never exceeded 2%. Without continued funding of ORG, this gap will only increase.

#### **Organic Data Initiative (ODI)**

ODI collects and disseminates data regarding organic agriculture through the Agricultural Marketing Service (AMS) and the National Agricultural Statistics Service (NASS). This program has been successful in providing valuable information to Congress, government agencies, and the organic industry at a low cost. We ask for a modest amount of \$309,000 in discretionary funding for AMS (to continue collecting organic pricing information and expand those collections to the

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www.OTA.com



same levels as conventional) and \$250,000 in discretionary funding for NASS (to continue to conduct surveys comparable to those conducted for conventional agriculture).

**Additional Requests for Report Language**

We request the following language for the **Farm to School** program: “The Farm to School program seeks to build healthy communities by strengthening schools’ supply chain and educational linkages to fresh fruits, vegetables and other commodities from local producers; however, increased access to organic foods in schools has not yet been fully realized by the program. Organic operations are well-positioned to create educational opportunities for students to directly engage in agricultural STEM opportunities and create lasting healthy eating habits, additional goals of the legislation. The Committee understands the need for improved access to and interaction with certified organic operations and directs the Department to improve participation of certified organic operations in an effort to reduce hunger and improve access to local healthy food in both rural and urban communities.”

We request the following report language for the **Beginning Farmer and Rancher Development Program**: “The Committee recognizes that in order to meet increased consumer demand for organic products, more domestic producers must either shift to organic production or enter production as an organic farmer or rancher. Beginning farmers and ranchers selecting organic production should be given the tools they need to grow. USDA should prioritize the needs of beginning farmers and ranchers opting for organic production and support programs and services that address their specific needs.”

We request the following report language for the **Environmental Quality Incentives Program**: “The Organic Initiative is not intended to be the only or even the primary way for organic producers to access EQIP funding. USDA is encouraged to track usage of all EQIP funds



by certified organic producers, in order to determine how to best meet their needs.”

We request the following report language for the **Regional Conservation Partnership**

**Program:** “Regional Conservation Partnership Programs (NRCS) allow for diverse and innovative conservation projects which leverage public and private funding. Organic farmers implement a wide variety of creative methods to improve water quality and enhance the environment. The FY 2017 budget allocates \$263 million, of which 5 percent shall be allocated to create partnerships that enhance organic production and its conservation benefits. NRCS funds may be used to provide technical assistance, including to “explore opportunities to diversify agricultural operations and develop and apply sustainable agricultural systems.” The Committee recognizes that certified organic farmers and those seeking to transition to organic farming would benefit particularly from this technical assistance and other partnership program activities and USDA should ensure that there are no barriers to certified organic and transitioning farmers receiving 5% of these funds.”

### **Conclusion**

Organic agriculture creates economic opportunities for farmers and rural communities, while improving and conserving the condition of the environment and giving consumers the choice to buy foods and other products that are produced according to organic standards. Meeting these funding requests will help to ensure the continued growth of U.S. organic agriculture by promoting and supporting the integrity of the organic label, providing important data, and continuing to support research for organic agriculture.

I thank the Committee and look forward to working with you to advance the organic industry.

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**U.S. House of Representatives Committee on Appropriations**

Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related

Agencies

Comments on Fiscal Year 2017 Appropriations

**March 15, 2016**

**Written Comments Submitted by:**

Jeffrey Buchanan, Senior Domestic Policy Advisor, Oxfam America

*On behalf of Oxfam America, Greater Minnesota Worker Center, Nebraska Appleseed,*

*Northwest Arkansas Workers' Justice Center and Western North Carolina Worker Center*

The following comments are submitted on behalf of Oxfam America, Greater Minnesota Worker Center, Nebraska Appleseed, Northwest Arkansas Workers' Justice Center and Western North Carolina Worker Center: members of a coalition of organizations working to improve the conditions of workers in poultry processing. We remain concerned by recent comments made by members of Congress, including members of this Committee, about the need to increase poultry processing plant evisceration line speeds, currently regulated by the USDA Food Safety and Inspection Service.

In August 2014, USDA finalized a new rule on *Modernization of Poultry Slaughter Inspection* after a full public comment period and significant input from occupational health experts and workers. The new rule explicitly removed the originally proposed line speed increase and kept line speeds for plants choosing to adopt the modernized inspection regime at 140 birds per a minute, the same rate that had preceded the rulemaking. USDA kept in place this line speed

despite a draft rule that would have increased line speed to 175 birds per a minute after reviewing evidence on the threat to worker health and safety by increased speeds.

A new report by Oxfam America, “Lives on the Line: The Human Cost of Cheap Chicken, and recent worker survey by the Northwest Arkansas Workers’ Justice Center echoed nearly every study about labor in the poultry industry: current line speed presents a constant threat to workers’ health and safety. It is fast, relentless, and dangerous.<sup>i</sup> Any additional increase in line speeds will only add to those threats.

The high speed exacerbates dangers to workers from repetitive motions, sharp tools, and chemicals; heightens risks to consumers as workers cut corners while handling food; and increases liability for the companies as risks grow. Poultry workers already suffer occupational illnesses at six times the national average; carpal tunnel syndrome at seven times the average; and amputations at three times the average. Line speed directly impacts these numbers. In a survey of 302 workers in Alabama, the Southern Poverty Law Center (SPLC) found that “78 percent of workers surveyed said that the line speed makes them feel less safe, makes their work more painful and causes more injuries.”<sup>ii</sup>

**We urge the members of this Committee to reject any attempts to use the Appropriations process to legislate an increase in the maximum allowable line speed in poultry processing plants, as such an increase will only further exacerbate the well-documented risk of permanently crippling injuries to poultry workers and undermine USDA’s recent rulemaking on this very issue.**

Workers commonly say that they are treated like “perpetual motion machines”, doing the same motions an estimated 20,000 times per shift, unable to pause or slow down for even a few seconds.<sup>iii</sup> Workers report averaging between 35 and 45 birds per minute (BPM), meaning they

process a chicken every two seconds. The higher the line speed the faster each worker must operate. More motions mean a greater likelihood of developing musculoskeletal disorders (MSDs). The constant pace means workers rarely can step back, change position, or stretch. These risks are exacerbated by cold and humid plant conditions. Dozens of medical studies have documented the elevated rate of painful and crippling MSDs in the workforce.<sup>iv</sup> They are also at risk of cuts, lacerations, and amputations that increase as speed accelerates. The constant repetitive motions cause pain in hands, fingers, arms, shoulders, backs, as well as swelling, numbness, and loss of grip. These injuries affect the ability to work, do chores, and even lift children.

The Government Accountability Office documented how fast line speeds prevents workers from taking precautions like sharpening knives: “The faster the pace at which the production line moves, the less able workers may be to perform tasks needed for safety.”<sup>v</sup>

Two-thirds (66 percent) of the poultry workers interviewed by Southern Poverty Law Center in 2013 described suffering from hand or wrist pain, swelling, numbness or an inability to close their hands. This rate was even higher among workers doing the jobs most affected by line speed reaching as high as 86 percent for workers cutting chicken wings.

OSHA studied musculoskeletal disorder risk factors for years and found that employers could protect workers from musculoskeletal issues “by reducing the speed at which the employer performs the tasks.” Still employer-mandated processing quotas and rapid line speeds mean that workers often have to rush and strain themselves to keep up. Workers who reported an injury due to line speed also reported higher mean and median piece/pound processing rates per minute, in some cases almost double the rates reported by workers who did not experience injury due to line speed. Women also reported higher rates of line speed related injury than men.



**Over half (54%) of workers surveyed answered yes to the question, “Have you ever been forced to do things because of time pressure or line speed that might harm the health and safety of the consumer?”**

**Poultry workers from across the country have felt the consequences of excessive line speed:**

- One worker in reported that the speed inched up as the hours went by: “As soon as the first shift leaves, around six o’clock, that’s when it speeds up and starts to get hard. You can’t stand the pain on your shoulders, your hands, because of that repetitive movement.”
- “There are so many problems happen as the lines go so fast,” one worker said. “There might be 20-plus chickens that we cut [in] one minute. The line is going so fast that sometimes we accidentally cut our hands.”
- Another worker offered, “Sometimes I get headache because the line is fast. I would almost pass out sometimes [because] the line is fast.”
- “These jobs were very repetitive,” said a worker, who cut chicken wings and breasts. “My hands swelled up and were extremely painful. When I was in so much pain that I had to stop, I asked for breaks, but the company told me I had to keep working. Because of the pressure to work fast, I can’t use my arms, wrists and hands the way I could before I worked in the poultry plant.”
- Current worker: “The majority of people who work there harm their fingers and their hands due to the line speed. Everyone knows this... It’s too much chicken... Too fast.”

**We recommend the members of this Committee reject any attempts to use the Appropriations process to legislate an increase the maximum allowable line speed in poultry processing plants, as such an increase will only further exacerbate the well**

**documented risk of permanently crippling injuries to poultry workers and undermine USDA's recent rulemaking.**

<sup>i</sup> Oxfam America, "Lives on the Line: Human Cost of Cheap Chicken", October 26, 2015, <http://www.oxfamamerica.org/explore/research-publications/lives-on-the-line/>

<sup>ii</sup> Fritzsche, *Unsafe at These Speeds*.

<sup>iii</sup> Hall, Alexander, and Ordoñez, "The Cruellest Cuts," *Charlotte Observer*, September 30, 2008, <http://www.charlotteobserver.com/news/special-reports/cruellest-cuts/article9012839.html>.

<sup>iv</sup> See, for example, the National Institute for Occupational Safety and Health (NIOSH) report conducted by Kristin Musolin et al., *Musculoskeletal Disorders and Traumatic Injuries Among Employees at a Poultry Processing Plant*, Health Hazard Evaluation 2012–0125, April 2013; Schulz et al., "Upper Body Musculoskeletal Symptoms of Latino Poultry Processing Workers and a Comparison Group of Latino Manual Workers," *American Journal of Industrial Medicine* 56, no. 2 (July 2012); van Rijn et al., "Associations Between Work-Related Factors and Specific Disorders of the Shoulder—A Systematic Review of the Literature," *Scandinavian Journal of Work, Environment & Health* 36, no. 3 (2010); GAO, *Workplace Safety and Health: Safety in the Meat and Poultry Industry*; Punnett and Wegman, "Work-Related Musculoskeletal Disorders: The Epidemiological Evidence and the Debate," *Journal of Electromyography and Kinesiology* 14, no. 14 (2004); National Research Council and Institute of Medicine, *Musculoskeletal Disorders and the Workplace: Low Back and Upper Extremities* (2001); Latko et al., "Cross-Sectional Study of the Relationship Between Repetitive Work and the Prevalence of Upper Limb Musculoskeletal Disorders," *American Journal of Industrial Medicine* 36, no. 2 (1999); Frost et al., "Occurrence of Carpal Tunnel Syndrome Among Slaughterhouse Workers," *Scandinavian Journal of Work, Environment & Health* 24, no. 4 (1998): 285; Werner et al., "Median Mononeuropathy Among Active Workers: Are There Differences Between Symptomatic and Asymptomatic Workers?" *American Journal of Industrial Medicine* 33, no. 4 (1998): 374; Chiang et al., "Prevalence of Shoulder and Upper-Limb Disorders Among Workers in the Fish-Processing Industry," *Scandinavian Journal of Work, Environment & Health* 19, no. 2 (1993). Hagberg, Morgenstern, and Kelsh, "Impact of Occupations and Job Tasks on the Prevalence of Carpal Tunnel Syndrome," *Scandinavian Journal of Work, Environment & Health* 18, no. 6 (1992); Chiang et al., "The Occurrence of Carpal Tunnel Syndrome in Frozen Food Factory Employees," *Kaohsiung Journal of Medical Sciences* 6, no. 2 (1990). Silverstein et al., "Occupational Factors and Carpal Tunnel Syndrome," *American Journal of Industrial Medicine* 11, no. 3 (1987).

<sup>v</sup> GAO, *Workplace Safety and Health: Safety in the Meat and Poultry Industry*.

**Pickle Packers International, Inc.**

Brian Bursiek, Executive Vice President  
1101 17<sup>th</sup> Street N.W., Suite 700, Washington, D.C. 20036

**Statement of Concern for Sustained and Increased Research Funding  
USDA/Agricultural Research Service**

**Summary**

Sustained and increased funding is desperately needed to maintain the research momentum built over recent years and to defray rising fixed costs at laboratory facilities. Companies in the pickled vegetable industry generously participate in funding and performing short-term research, but the expense for long-term research needed to insure future global competitiveness is too great for individual companies to shoulder on their own.

**Additional Budget Requests for FY 2017**

Funding needs for USDA/ARS laboratories are as follows:

**I. Requests for Program Enhancement – Pickled Vegetables**

\$500,000	<b>Emerging Disease of Crops</b>
\$500,000	<b>Quality and Utilization of Agricultural Products &amp; Food Safety</b>
\$500,000	<b>Applied Crop Genomics</b>
\$500,000	<b>Specialty Crops</b>
<b>\$2,000,000</b>	<b>Total Program Enhancements Requested – Pickled Vegetables</b>

**USDA/ARS Research Provides:**

- Consumers with over 150 safe and healthful vegetable varieties providing vitamins A, C, folate, magnesium, potassium, calcium, and phytonutrients such as antioxidant carotenoids and anthocyanins.
- Genetic resistance for many major vegetable diseases, assuring sustainable crop production with reduced pesticide residues – valued at nearly \$1 billion per year in increased crop production.
- Classical plant breeding methods combined with bio-technological tools, such as DNA markers, genetic maps, and genome sequencing to expedite traditional breeding and increase efficiency.
- New vegetable products with economic opportunities amidst increasing foreign competition.
- Improved varieties suitable for machine harvesting, assuring post harvest quality and marketability.
- Fermentation and acidification processing techniques to improve the efficiency of energy use, reduce environmental pollution, and reduce clean water intake while continuing to assure safety and quality of our products.
- Methods for delivering beneficial microorganisms in fermented or acidified vegetables and producing reduced sodium, healthier products.
- New technology and systems for rapid inspection, sorting and grading of pickling vegetable products in the field and at the processing facility.

**Health and Economical Benefits**

- Health agencies continue to encourage increased consumption of fruits and vegetables, useful in preventing heart disease, cancer, stroke, diabetes and obesity.
- Vegetable crops, including cucumbers, peppers, carrots, onions, garlic and cabbage (sauerkraut), are considered “specialty” crops and not part of commodity programs supported by taxpayer subsidies.
- Current farm value for just cucumbers, onions and garlic is estimated at \$2.4 billion with a processed value of \$5.8 billion. These vegetables are grown and/or manufactured in all 50 states.

**Thank you for your consideration and expression of support for the USDA/ARS.**

## Pickle Packers International, Inc.

*"Representing the pickled vegetable industry since 1893"*

### A Statement of Concern for Sustained and Increased Research Funding USDA/Agricultural Research Service

The pickled vegetable industry strongly supports and encourages your committee in its work of maintaining and guiding the Agricultural Research Service. To accomplish the goal of improved health and quality of life for the American people, the health action agencies of this country continue to encourage increased consumption of fruits and vegetables in our diets. Accumulating evidence from the epidemiology and biochemistry of heart disease, cancer, diabetes and obesity supports this policy. Vitamins (particularly A, C, and folic acid), minerals, and a variety of antioxidant phytochemicals in plant foods are thought to be the basis for correlation's between high fruit and vegetable consumption and reduced incidence of these debilitating and deadly diseases.

As an association representing processors that produce over 85 percent of the tonnage of pickled vegetables in North America, it is our goal to produce new products that increase the competitiveness of U.S. agriculture as well as meet the demands of an increasingly diverse U.S. population that is encouraged to eat more vegetables. The profit margins of growers continue to be narrowed by foreign competition. This industry can grow by meeting today's lifestyle changes with reasonably priced products of good texture and flavor that are high in nutritional value, low in negative environmental impacts, and produced with assured safety from pathogenic microorganisms and from those who would use food as a vehicle for terror. With strong research to back us up, we believe our industry can make a greater contribution toward reducing product costs and improving human diets and health for all economic strata of U.S. society.

Many small to medium sized growers and processing operations are involved in the pickled vegetable industry. We grow and process a group of vegetable crops, including cucumbers, peppers, carrots, onions, garlic, cauliflower, cabbage (Sauerkraut) and Brussels sprouts, which are referred to as 'minor' crops. None of these crops are in any "commodity program" and do not rely on taxpayer subsidies. However, current farm value for just cucumbers, onions and garlic is \$2.4 billion with an estimated processed value of \$5.8 billion. These crops represent important sources of income to farmers and rural America. Growers, processing plant employees and employees of suppliers to this industry reside in all 50 states. To realize its potential in the rapidly changing American economy, this industry will rely upon a growing stream of appropriately directed basic and applied research from four important research programs within the Agricultural Research Service.

### Applied Crop Genomics

The USDA/ARS has the only vegetable crops research unit dedicated to the genetic improvement of cucumbers, carrots, onions and garlic. ARS scientists account for over half of the total U.S. public breeding and genetics research on these crops. Their efforts have yielded cucumber, carrot and onion cultivars and breeding stocks that are widely used by the U.S. vegetable industry (i.e., growers, processors, and seed companies). These varieties account for over half of the farm yield produced by these crops today. All U.S. seed companies rely upon this program for developing new varieties, because ARS programs seek to introduce economically important traits (e.g., pest resistances and health-enhancing characteristics) not available in commercial varieties using long-term high risk research efforts. The U.S. vegetable seed industry develops new varieties of cucumbers, carrots, onions, and garlic and over twenty other vegetables used by thousands of vegetable growers. Their innovations meet long-term needs and bring innovations in these crops for the U.S. and export markets, for which the U.S. has successfully completed.

ARS scientists have developed genetic resistance for many major vegetable diseases that is estimated at \$670 million per year in increased crop production, not to mention environmental benefits due to reduction in pesticide use. **New research has resulted in cucumbers with improved disease resistance, pickling quality and suitability for machine harvesting.** New sources of genetic resistance to viral and fungal diseases,

tolerance to environmental stresses, and higher yield have recently been identified along with molecular tools to expedite delivery of elite cucumber lines to U.S. growers.

There are still serious vegetable production problems which need attention. **For example, losses of cucumbers, onions, and carrots in the field due to attack by pathogens and pests remains high, yield and nutritional quality needs to be significantly improved and U.S. production value and export markets should be enhanced.** Genetic improvement of all the attributes of these valuable crops are at hand through the unique USDA lines and populations (i.e., germplasm) that are available and the new biotechnological methodologies that are being developed by the group. The achievement of these goals will involve the utilization of a wide range of biological diversity available in the germplasm collections for these crops. Classical plant breeding methods combined with bio-technological tools such as DNA markers, genetic maps, and genome sequences to expedite traditional cucumber, carrot and onion breeding and increase its efficiency. With this, new high-value vegetable products based upon genetic improvements developed by our USDA laboratories can offer vegetable processors and growers expanded economic opportunities for U.S. and export markets.

### **Quality and Utilization of Agricultural Products & Food Safety**

The USDA/ARS maintains a food science research unit that our industry looks to for new scientific information on the safety of our products and development of new processing technologies related to fermented and acidified vegetables. Major accomplishments include: pasteurization treatments currently used for most acidified vegetables; the preservation technology used for manufacturing shelf stable sweet pickles; fermentation technology (purgings) used to prevent the formation of air pockets within fermented pickles; and a fermentation technology that eliminates the use of sodium chloride for commercial cucumber brining operations. With the passage of the **Food Safety Modernization Act**, commercial producers of acidified foods must prove that they meet critical limits established for microbial safety. USDA-ARS has provided technical expertise and the scientific data currently used to support required process filings, and have helped establish a scientific basis for acidified food regulations. **Further research is needed to evaluate safe and efficient processing conditions for environmentally friendly low salt and calcium salt vegetable fermentation technologies.** Additional funding is needed for this and other important research initiatives detailed below.

First, nearly all retail pickled vegetables are pasteurized for safety and shelf stability. Current steam and water bath pasteurizers rely on technology from the 1940s and 50s. Promising new technologies include continuous flow microwave technology and “hot-fill-and-hold” pasteurization. **Research efforts to further develop these technologies will reduce water use and significantly improve energy efficiency with new, scientifically validated thermal processing technologies.**

Second, additional research that offers significant economic and environmental advantages to the U.S. industry includes the reduction or replacement of salt in commercial vegetable fermentations and bulk acidification. Calcium substitution of salt in commercial vegetable processing has the potential to significantly reduce chloride levels in waste waters and sludge currently delivered to landfills; and create opportunities to manufacture reduced sodium, fermented vegetable products. **Reducing environmental impact and production costs for the manufacture of healthier vegetable products is essential to the sustainability of the U.S. industry.**

Third, the market for fermented vegetable products is rapidly growing in the U.S. These products are attractive to consumers seeking “natural” or “traditional” foods. Novel fermented foods are being imported, manufactured and sold by small business (farmer’s markets) and large companies. For many of these fermented foods, little is known about the safe fermentation conditions, appropriate storage times and temperatures and shelf life. While these fermented foods may contain healthful probiotic bacteria and offer new flavors and expanded markets for vegetable grown in the US, the potential microbial hazards are undefined. Little data is available in the scientific literature to define safe fermentation practices. **Research is needed to help both producers and regulatory agencies define safe fermentation practices to meet food safety modernization act standards for novel imported and locally manufactured fermented vegetable products.**

## Specialty Crops

The USDA/ARS conducts research on the development and application of innovative engineering technologies for rapid, nondestructive measurement and grading of fruits and pickling vegetables to ensure and enhance product quality and marketability, reduce food loss, and achieve labor cost savings. The research program is well recognized for its pioneering research and development and technology transfer effort in imaging and spectroscopic inspection technologies, which have found wide applications in food quality and safety inspection. Currently, ARS researchers are developing a new generation of sensing technologies, which are much more effective and efficient than the current inspection systems, for quality evaluation and grading of pickling vegetables and fruits at the processing facility and in the field.

Sensor and automation is critical to ensuring and enhancing food quality and safety, reducing product loss and production cost, and improving traceability. Modern automated food quality inspection systems have been in use for some time, but they have not been able to fully meet the increasing demands for food quality, safety and traceability from the consumer and by the governmental regulatory agencies. The ARS engineering research program will provide new, cutting-edge food quality inspection technology for pickling vegetable and specialty crop growers and processors, helping them deliver best quality, consistent products to the consumer at affordable prices. Expansion of the ARS research in food quality sensing and automation would enable addressing key technical challenges in the development of new generation food quality inspection technology and allow fast transfer and dissemination of the developed technologies to the U.S. specialty crop industries. This would help the U.S. specialty crop industries maintain competitive advantages in the global marketplace.

## Emerging Disease of Crops

USDA/ARS vegetable research addresses national problems confronting the vegetable industry of the southeastern U.S. The mission of the laboratory is to develop disease and pest resistant vegetables, and also new, reliable, environmentally-sound disease and pest management practices that do not rely on conventional pesticides. Programs currently address 14 crops, including those in the cabbage, cucumber, and pepper families, all of major importance to the pickling industry. **USDA/ARS research is recognized world-wide, and its accomplishments include over 150 new vegetable varieties and many improved management practices.**

Increasing current funding levels for this program will directly benefit the southeastern vegetable industry. Vegetable growers depend heavily on synthetic pesticides to control diseases and pests. Without the availability of certain pesticides that have been eliminated for use, producers are likely to experience crop failures unless other effective, non-pesticide control methods are readily identified. In this context, the research on improved, more efficient and environmentally compatible vegetable production practices and resistant varieties continues to be absolutely essential. This research can help provide U.S. growers with a competitive edge they need to sustain and keep their industry vibrant, allowing it to expand in the face of increasing foreign competition. Current cucumber varieties are highly susceptible to a new strain of the downy mildew pathogen which has caused considerable damage to commercial cucumber production in eastern, midwestern, as well as western states in recent years. Increasing funding to allow hiring a new plant pathologist will facilitate the conduct of key research to address this critical situation.

## FUNDING NEEDS FOR THE FUTURE

It remains critical that USDA/ARS funding continues the forward momentum in pickled vegetable research that the U.S. now enjoys and to increase funding levels as warranted by planned expansion of research projects to maintain U.S. competitiveness.

*It is important to note that FY 2015 Enacted / FY 2016 Estimated funding for USDA/ARS laboratories totaled \$11,247,000. However, FY 2015 Enacted / FY 2016 Estimated funding for all cucurbits equaled just \$3,916,000 with only \$2,112,000 directed toward cucumber and pickled vegetable research. For FY 2017, PPI is requesting an additional \$2,000,000 in program enhancements that will provide needed research for cucumber and pickled vegetables.*

### Emerging Disease of Crops

There is a critical need to increase funding to support plant pathology research to address cucumber diseases, especially the disease caused by a new strain of the downy mildew pathogen responsible for recent extensive damage to cucumber and other cucurbit productions in the eastern states. A pathologist is especially needed to characterize pathogen strains and to develop new management approaches, as well as resistant cucumber varieties, to combat the disease. Ultimately, a new plant pathologist position will accomplish research that results in more effective protection of cucumbers from disease without the use of conventional pesticides.

FY 2015 Enacted	\$598,000	
FY 2016 Estimate	\$598,000	
FY 2017 (Proposed budget)	To be determined	
<b>FY 2017 Additional Request</b>	<b>\$500,000</b>	(Plant Pathologist & support)

### Quality and Utilization of Agricultural Products and Food Safety

The current funding includes research and development for a variety of vegetable products, including fermented and acidified vegetables. For new research initiatives to reduce energy and water use, reduce environmental impact from commercial fermentations, and develop new health-promoting food (probiotic) technology, we request additional support of \$500,000 to fully fund the scientists and support staff, including graduate students and post-doctorates, for carrying out the research and acquiring necessary equipment.

FY 2015 Enacted	\$595,000	
FY 2016 Estimate	\$595,000	
FY 2017 (Proposed budget)	To be determined	
<b>FY 2017 Additional Request</b>	<b>\$500,000</b>	(Post-doctoral and Pre-doctoral Research Associate, new equipment & support)

### Applied Crop Genomics

Emerging diseases, such as downy mildew, southern root knot nematode, and angular leaf spot of cucumber, threaten production of the crop in all production areas. Yield and quality traits found in diverse cucumber germplasm must be bred into U.S. crop cultivars. We request an additional \$500,000 to fully fund the scientists and support staff, including graduate students and post-doctorates for identifying, researching and applying genomic tools to develop new sources of genetic resistance to emerging diseases, improve yield and quality.

FY 2015 Enacted	\$458,000	
FY 2016 Estimate	\$458,000	
FY 2017 (Proposed budget)	To be determined	
<b>FY 2017 Additional Request</b>	<b>\$500,000</b>	(Post-doctoral and Pre-doctoral Research Associate & support)

### Specialty Crops

The current funding is far short of the level needed to carry out research on inspection, sorting and grading of pickling cucumbers and other vegetable crops to assure the processing and quality of pickled products. An increase of \$500,000 in the current base funding level would be needed to fund the research engineer position.

FY 2015 Enacted	\$145,000	
FY 2016 Estimate	\$145,000	
FY 2017 (Proposed budget)	To be determined	
<b>FY 2017 Additional Request</b>	<b>\$500,000</b>	(Research Engineer & support)

**Thank you for your consideration and expression of support for the USDA/ARS.**

March 10, 2016

The Honorable Jerry Moran  
 Chairman  
 U.S. Senate Appropriations Subcommittee  
 on  
 Agriculture, Rural Development Food and  
 Drug  
 Administration and Related Agencies  
 129 Dirksen Senate Office Building  
 Washington, DC 20510

The Honorable Jeff Merkley  
 Ranking Member  
 U.S. Senate Appropriations Subcommittee  
 on  
 Agriculture, Rural Development Food and  
 Drug  
 Administration and Related Agencies  
 190 Dirksen Senate Office Building  
 Washington, DC 20510

The Honorable Robert Aderholt  
 Chairman  
 U.S. House of Representatives  
 Appropriations  
 Subcommittee on Agriculture, Rural  
 Development, Food and Drug  
 Administration, and Related Agencies  
 2362-A Rayburn House Office Building  
 Washington, DC 20515

The Honorable Sam Farr  
 Ranking Member  
 U.S. House of Representatives  
 Appropriations  
 Subcommittee on Agriculture, Rural  
 Development, Food and Drug  
 Administration, and Related Agencies  
 1016 Longworth House Office Building  
 Washington, DC 20515

Dear Chairman Moran, Chairman Aderholt, Ranking Member Merkley, and Ranking Member Farr:

We, the undersigned organizations, are writing to request your support for **\$10 million** in appropriations for Section 1433 Continuing Animal Health and Disease, Food Security, and Stewardship Research, Education and Extension Programs in the fiscal year 2017 Agriculture Appropriations bill. The 2014 farm bill includes an important expansion of Section 1433 to establish a new competitive research grants mechanism to address critical priorities in food security, one health and stewardship. The expanded authority came in response to a historic funding disparity for the animal sciences and represents a strong opportunity to address significant challenges facing animal agriculture.

Unfortunately, current funding by the United States Department of Agriculture (USDA) to support the animal sciences is not proportionate with the economic contributions of animal agriculture. In fact, investment in the animal sciences has been stagnant for many years, even for programs like the Agriculture and Food Research Initiative (AFRI) that have received increased funding in recent years. This disturbing trend was highlighted by National Academy of Sciences in its report "Critical Role of Animal Science Research in Food Security and Sustainability" that was released in 2015. The report recognizes the historic underfunding of animal sciences and calls for increased investments. This imbalance in support for animal science puts U.S. animal agriculture at a major disadvantage at a critical time when livestock and poultry producers are striving for global competitiveness, improving sustainability and working to feed a growing global population. The recent outbreak of avian influenza in the United States underscores the need to develop science based tools to prevent and mitigate the impacts of such outbreaks. A proactive research effort is needed to help address these threats and protect the nation's animal agriculture industry.



Demand for food is expected to increase from 70 to 100 percent by 2050 and animal agriculture must be a major contributor to meet these needs. Meat consumption is estimated to increase by 73 percent, dairy consumption is estimated to increase 57 percent, and per capita egg consumption in developing countries is expected to rise by almost 40 percent.

As the world's population grows and natural resources become limited, animal agriculture research is necessary now more than ever to improve efficiency in order to continue providing safe and abundant food supplies for the growing global community. It is imperative that the increased food production be done in a manner that will protect our natural resources while maintaining America's global competitiveness in producing animals and animal products.

Advancements in animal science will play an important role in the future success of animal agriculture and the rural economy. Livestock and poultry sales account for 40 percent of all farm income. When feed crops consumed by livestock are included, the contribution to farm income is 60 percent. The United States must step up its investments in agriculture research to maintain its status as a leading producer of safe, affordable and abundant food and meet increasing demands.

The new competitive grants program in Section 1433 provides a mechanism to focus resources on high priority areas to help animal agriculture meet future challenges. It is important to get the new competitive program started as soon as possible. We respectfully request that **\$10 million** be appropriated for Section 1433 in fiscal year 2016, as a first step toward the goal of meeting the program's authorized level of \$25 million. Please let us know if you have any questions or if we can be of any assistance as the FY 2016 appropriations process moves forward.

Sincerely,

Alabama Cattlemen's Association

Alabama Poultry and Egg Association

American Association of Avian Pathologists

American Association of Bovine Practitioners

American Association of Mycobacterial Diseases

American Association of Small Ruminant Practitioners

American Association of Swine Veterinarians

American Association of Veterinary Laboratory Diagnosticians

American Dairy Goat Association

American Dairy Science Association

American Farm Bureau Federation

American Feed Industry Association

American Goat Federation

American Meat Science Association  
American Sheep Industry Association  
American Society of Animal Science  
American Veterinary Medical Association  
Animal Agriculture Alliance  
Animal Health Institute  
Arizona Cattlemen's Association  
Arizona Cattle Feeder's Association  
Arizona Cattle Grower's Association  
Arizona Pork Council  
Arkansas Pork Producers Association  
Association of American Veterinary Medical Colleges  
Association of Veterinary Biologics Companies  
California Pork Producers Association  
Colorado Cattlemen's Association  
Colorado Dairy Farmers  
Colorado Livestock Association  
Colorado Pork Producers Council  
FASS  
Florida Cattlemen's Association  
Georgia Poultry Federation  
Georgia Cattlemen's Association  
Illinois Pork Producers Association  
Indiana Pork Advocacy Coalition  
Iowa Pork Producers Association  
Kansas Livestock Association  
Kansas Pork Association

Livestock Marketing Association  
Louisiana Cattlemen's Association  
Maryland Pork Producers Association  
Michigan Agri-Business Association  
Michigan Cattlemen's Association  
Michigan Milk Producers Association  
Michigan Pork Producers Association  
Michigan Sheep Breeders  
Minnesota Pork Producers Association  
Mississippi Cattlemen's Association  
Missouri Pork Association  
Mycobacterial Diseases of Animals Multistate Initiative  
National Aquaculture Association  
National Association for the Advancement of Animal Science  
National Association of Federal Veterinarians  
National Association of State Departments of Agriculture  
National Dairy Herd Information Association  
National Cattlemen's Beef Association  
National Farmers Union  
National Grain and Feed Association  
National Milk Producers Federation  
National Pork Producers Council  
National Turkey Federation  
Nebraska Pork Producers Association  
New York Pork Producers Coop. Inc.  
North American Meat Institute  
North Carolina Cattlemen's Association

North Carolina Pork Council  
North Dakota Pork Council  
Ohio Pork Council  
Oklahoma Pork Council  
Oregon Beef Council  
Poultry Science Association  
Southeastern Livestock Network  
South Carolina Cattlemen's Association  
South Carolina Pork Producers Association  
South Dakota Pork Producers Council  
Tennessee Cattlemen's Association  
Texas Allied Poultry Association  
Texas Broiler Council  
Texas Cattle Feeders Association  
Texas Egg Council  
Texas and Southwestern Cattle Raisers Association  
Texas Poultry Federation  
Texas Poultry Improvement Association  
Texas Turkey Federation  
United Dairymen of Arizona  
United Egg Producers  
U.S. Animal Health Association  
U.S. Dairy Forage Research Center Research and Industry Committee  
U.S. Poultry & Egg Association  
Virginia Cattlemen's Association  
Virginia Pork Council, Inc.  
Wisconsin Pork Association

March 11, 2016

Submitted for the Record

Leslie S. Ritter, Vice President, Public Policy, Society for Women's Health Research (SWHR)  
Before the House Appropriations Committee, Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies

The Society for Women's Health Research (SWHR®) urges the Committee to prioritize and provide an increase to the **FY 2017 budget authority (BA) appropriations (non-user fees) for the Food and Drug Administration (FDA) of \$2.85 billion, an increase of \$120 million over FY2016. Our request is based on FDA's current workload, planned programs, and emerging public health priorities. Additionally, SWHR supports an allocation of \$10 million for the FDA Office of Women's Health (OWH) for FY 2017.**

For over 25 years, SWHR has been widely considered a thought-leader in promoting research on biological differences in disease and we are dedicated to transforming women's health through science, advocacy, and education.

Our organization has long advocated that drug and device scientific advancements should demonstrate adequate subpopulation testing prior to approval by FDA. The Agency has made great improvements in improving the completeness and quality of demographic subgroup data collection, reporting and analysis of subgroup data collection, identifying barriers to subgroup enrollment in clinical trials, employing strategies to encourage greater participation, and making demographic subgroup data more available to the public. However, in order for greater improvement, Congress must invest in FDA's core functions. SWHR is committed to the belief that **the FDA, as regulator of products representing approximately 20% of American consumer spending, should receive priority funding as its responsibilities are critical to the health and well-being of all Americans.**

The FDA has broad jurisdiction and is responsible for:

- Protecting public health by assuring the safety, efficacy and security of human and veterinary drugs, biological products, medical devices, our nation's food supply, cosmetics, and products that emit radiation.
- Advancing public health by helping to speed innovations that make medicines more effective, safer, and more affordable and providing accurate, science-based information needed by patients and consumers to safely use medicines and foods to maintain and improve their health.
- Regulating the manufacturing, marketing and distribution of tobacco products to protect public health and to reduce tobacco use by minors.
- Ensuring the security of the food supply and by fostering development of medical products to respond to deliberate and naturally emerging public health threats.

Each year, Congress adds ever increasing responsibilities to the Agency (most recently food safety, sunscreen labeling, drug safety, and compounding) but fails to provide appropriate funds to meet those demands reasonably, thereby straining the FDA's abilities and forcing it to choose among competing public health priorities. This is a dangerous precedent which poorly serves the

health and safety of the American people. Many of the mandated programs that Congress has tasked the Agency with are not covered by user fees, leaving FDA in need of a larger budget authority appropriation in order to fulfill its duty. SWHR believes that sustained investment in the FDA and its regulatory responsibilities is absolutely essential if the U.S. is to meet the needs of its citizens, especially women, and maintain its gold standard in scientific transformation and medical product advancement.

SWHR is a strong supporter of stakeholder engagement with the Agency, and are active in the user fee agreement process for prescription and generic drugs, as well as medical devices and biologics. Such opportunities allow for FDA to discuss process improvements that will speed the approval of safe and effective medical products for patients and consumers. The increased emphasis on patient-focused drug development, risk/benefit analysis, and innovative clinical trial design will only further efforts to bring lifesaving treatments to market.

However, Congressionally-allocated funds are desperately needed to support FDA post-market surveillance activities, improve technical assistance to industry to reduce review times, and enhance its communications with patients and consumers. Post-market surveillance is critical to ensure that drugs and devices, when available to a wider patient population, are truly safe and effective for all populations. The American public cannot, and should not, rely on industry to conduct the bulk of these activities. **The 21<sup>st</sup> Century Cures Act, recently passed by the House, and its companion Senate Innovation's effort, focus on the need to bring medical products to the market more quickly. A large part of that process is improving clinical trials to be faster and less expensive. The biopharmaceutical and biopharmaceutical services industries, along with the FDA and other key stakeholders, have made great strides in improving the clinical trial process; however, clinical trials will never be able to give us the information that is obtained once the drug or device is approved and used in the population. This makes it more critical that FDA has a strong and robust post marketing surveillance program. While the MedWatch and similar programs do exist, they will need additional resources to ensure FDA staff and others as appropriate can quickly respond to reduce morbidity and mortality related to potential safety issues.**

Additional FDA funding will also support improved technical assistance for its industry partners by supporting staff resources to develop, review, and approve guidance. Timely release of guidance documents is critical to ensure industry partners can develop processes and submit applications with the most pertinent information for review. Such releases would also allow for increased opportunities for innovation by promptly responding to a changing drug/device development environment.

Finally, additional funding would allow FDA to enhance its communications with the public. Such funding could support building a consumer-friendly FDA interface; making it much easier for patients and consumers to navigate. Funding could also be used to continue the patient-focused drug development meetings and other workshops and listening sessions, allowing FDA to connect directly with the American public it serves.

#### ***Action Plan to Enhance the Collection and Availability of Demographic Subgroup Data***

FDA, working with industry, must ensure that clinical trials examine differences in subpopulations ensuring appropriate representation to achieve statistical significance and analysis. In 2014, FDA released its “Action Plan to Enhance the Collection and Availability of Demographic Subgroup Data” (Action Plan), as directed by section 907 of the Food and Drug Administration Safety and Innovation Act of 2012 (FDASIA). The Action Plan, largely developed and implemented by the OWH and the Office of Minority Health, provided an outline of long and short term actions and implementation strategies the FDA is undertaking to examine sex, race, ethnicity and age-based differences through medical research, to allow subgroup-specific data to be more widely available for use in medical practice, and to improve the participation of women, minorities and the elderly in research trials.

SWHR hopes that FDA will continue to work towards the goals outlined in that plan which will be beneficial for patients, consumers, and the healthcare community at large. The Agency has worked with stakeholders to ensure that the subgroup data is appropriately analyzed, reported and presented by FDA and sponsors in a meaningful way to patients and the medical community. However, many components of the Action Plan remain, for example, it is critical that the Agency update its *2005 Guidance for Industry on the Collection of Race/Ethnicity Data in Clinical Trials*.

As part of the Action Plan, FDA also has a critical regulatory role in human subject research. Women and minority populations have historically been underrepresented in medical research, and although women and minorities are now being enrolled in clinical trials at greater rates, much work remains to ensure that these groups are included and retained in trials at appropriate levels to provide statistically significant results. Through the Action Plan, FDA recognized the need to increase representation of these population groups in clinical trials and the need for more analyses on how medical drugs and devices in development affect women and men differently as well as racially, ethnically and by age. Women should have confidence that drugs, devices and biologics approved for patient use have been appropriately analyzed for sex differences and the finding publicly reported in a meaningful way for usage by both health care providers and patients.

SWHR has long sought the transparency of demographic subgroup data that FDA uses as the basis of its approval decision. This issue was a priority area of the Action Plan and in 2014, the Agency launched the “Drug Trial Snapshot” website to provide information about who participated in clinical studies for new molecular entities and original biologics. The Snapshot website also includes information on study design, results of efficacy and safety studies, and information on any differences in efficacy or safety that were apparent in subgroup populations.

The Snapshot website is a step in the right direction; however, we believe that the website could be improved to revolutionize the way Snapshots benefits patients. SWHR believes that Snapshots could be improved by contextualizing the data presented with all relevant information relating to the intersection of age, race, and sex to provide those using the website a thorough understanding of their benefits and risk as individual users of a certain drug or biologic. Additionally, the website is not easily found on FDA’s webpage. FDA has signaled that they view the website as an iterative process, and are open to hearing stakeholder feedback on how to improve the site. **However, these efforts require the Agency to receive sustained funding and**

**resources and SWHR believes that Congress must commit to continued and robust investment in FDA to provide for the advancement and increased transparency of drug development.**

***FDA Office of Women's Health***

OWH has proven itself to be vital player in advancing women's health issues at the Agency; including the expansion of existing research projects and helping to foster new collaborations related to advancing the science of women's health. OWH's programs ensure that sex and gender differences in the efficacy of drugs (such as metabolism rates), devices (sizes and functionality), and diagnostics are taken into consideration in reviews and approvals.

American women rely on the tools OWH provides to them to help with their health care decisions. Each year, **OWH consumer pamphlets are the most requested of any documents** at the government printing facility in Colorado; with more than 8 million distributed to women across America, including target populations such as Hispanic communities, seniors and low-income citizens. These pamphlets discuss topics such as breast cancer screening, diabetes, menopause hormone therapy, and medication use during pregnancy. In addition, OWH's website is a vital tool for consumers and physicians, providing free, downloadable fact sheets on over one hundred different illnesses, diseases, and health related issues for women. Among the most popular, OWH provides medication charts on select chronic diseases, listing all the treatment options available for each disease. **We must maintain these vital functions that health care professionals and the public understand and utilize daily to make health care decision.**

In partnership with the National Institutes of Health Office of Research on Women's Health, OWH created a website for on-line sex and gender courses to provide additional educational tools for medical practice and scientific innovation. All three courses offer free continuing education credits for physicians, pharmacists and nurses.

Last year, OWH unveiled the Women's Health Research Roadmap (Roadmap) to build on knowledge gained from previously funded research and assist OWH in coordinating future research activities with other FDA research programs and external partners. The Roadmap outlined priority areas where new or enhanced research is needed, creates strategic direction for OWH to help maximize the impact of OWH initiatives, and ultimately promote optimal health for women. It was also designated a key FDA commitment in FDA's August 2014 Action Plan.

To fully implement the Research Roadmap and continues it's important work, **SWHR requests an allocation of \$10 million for the FDA Office of Women's Health (OWH) for FY 2017.** We believe these recommended budget allocations would enable the FDA to address resource shortages across its centers, but also implement critical improvements in infrastructure and support a substantial investment in the OWH, the office responsible for advancing the health of women through policy, science, and outreach and one of the leading voices in increasing the participation and analysis of women and other subpopulations in clinical trials.

In conclusion, we thank the Committee for its past support of the FDA and its centers. It is our hope that the Committee continue to invest in the Agency to help ensure a healthier future for all Americans. We look forward to continuing to work with you.



Sent via E-mail and U.S. Mail  
2/24/2016

The Honorable Robert Aderholt  
Chairman, Agriculture Subcommittee  
Committee on Appropriations  
United States House of Representatives  
Rayburn House Office Building, 2362-A  
Washington, DC 20515

The Honorable Sam Farr  
Ranking Member, Agriculture Subcommittee  
Committee on Appropriations  
United States House of Representatives  
Longworth House Office Building, 1016  
Washington, DC 20515

Dear Chairman Aderholt and Ranking Member Farr:

We thank you for your leadership and past support for agriculture research and are writing to ask that you fully fund the USDA's Agriculture and Food Research Initiative (AFRI) at \$700 million in fiscal year 2017. This summer marks eight years since the 2008 Farm Bill called for this premier farm science and innovation program to be funded at this level. Now is the time to make that investment in a sector that generates more than \$800 billion in annual economic activity, or roughly 5% of our nation's GDP.

As you know, agricultural research is critically important to solving some of society's greatest challenges, including improving human health, maintaining our global competitiveness and enhancing our national security. In this past year alone, the vulnerability of our food system and the necessity of additional research was put on stark display with an estimated \$3.3 billion in economic losses from a new strain of the avian flu and unprecedented drought in places like California. Yet 2015 also showed the strength of our agricultural research system with the development of vaccines and new products like the hypoallergenic peanut. These innovative discoveries are just the tip of the iceberg of what agricultural science and technology researchers can deliver with sufficient support.

Even with recent AFRI-funded successes, there is still much ground to cover. Every year, over half of AFRI's research grant proposals rated as "highly innovative" go unfunded due to budget constraints within the agency. In FY 2014, only \$270 million of the \$1.4 billion in projects recommended for funding by AFRI's review panels received support. The need for more federal support is echoed in the December 2012 report from the President's Council of Advisors on Science and Technology (PCAST), which urged an additional \$700 million in funding for new agricultural research to combat issues such as food safety, animal diseases, emerging plant pests and the risks associated with drought and flooding. As with numerous National Research Council (NRC) reports since 1963, the PCAST study stressed that this new funding be distributed through a competitive grants program like that embodied by AFRI.

A significant investment in FY 2017 is desperately needed to support the best scientists and innovators working in the crucial fields of agriculture. Ultimately, this investment will ensure that U.S. agriculture remains competitive, and it will narrow the gap between current productivity and future need.

We ask that you give our request careful consideration as you set out to fund the nation's agricultural research programs in FY 2017. We realize the difficulty of your task, and we are confident that increased investment in AFRI will prove to be a wise decision now and for the future. We look forward to continued discussion with you throughout the FY 2017 appropriations process.

Thank you,

**The Partners of Supporters of Agricultural Research (SoAR)**

*Agricultural & Applied Economics Association*  
*American Farm Bureau Federation*  
*American Society of Agronomy*  
*American Society for Horticultural Science*  
*American Society for Microbiology*  
*American Society for Nutrition*  
*American Society of Plant Biologists*  
*American Veterinary Medical Association*  
*Association of American Universities*  
*Association of American Veterinary Medical Colleges*  
*Association of Public and Land-grant Universities*  
*Crop Science Society of America*  
*Entomological Society of America*  
*Federation of American Societies for Experimental Biology*  
*National Coalition for Food & Agricultural Research*  
*National Pork Producers Council*  
*Soil Science Society of America*

**Supporters of Agricultural Research**

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**SOAR**

Written Public Testimony from members of the Sustainable Urban Forests Coalition,  
provided by Faith T. Campbell, Vice President, Center for Invasive Species Prevention  
signatories:

Alliance for Community Trees, American Forests, American Society of Consulting Arborists,  
Center for Invasive Species Prevention, National Recreation and Parks Association, Outdoor Power  
Equipment Institute, Society of Municipal Arborists, Utility Arborists Association

Submitted to the House Committee on Appropriations  
Subcommittee on Agriculture, Rural Development, Food and Drug Administration  
and Related Agencies

Agency: USDA Animal and Plant Health Inspection Service

14 March, 2016

The Sustainable Urban Forests Coalition is composed of city planners, educators, managers, and many other professionals who care for, monitor and advocate for trees and our urban forests as a whole. We write today in support of funding for programs at the USDA Animal and Plant Health Inspection Service (APHIS) that help keep the nation's forests healthy by preventing introduction and spread of invasive pests. **Specifically, we ask the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies to maintain the Fiscal Year 2016 funding levels for the "Tree and Wood Pests" line (\$54 million) and the "Specialty Crops" line (\$164 million) under the USDA APHIS Plant Health program.**

Our suggested funding levels are higher than those contained in the President's budget. We suggest these higher funding levels because of the significant threat posed by non-native tree-killing pests to forests in both urban and rural or wildland settings. Pests are often initially introduced in urban or suburban settings. This is because these populated areas receive the bulk of the imports which are transporting the pests. So the pests' first opportunity to escape and find new hosts is usually in cities or suburbs.

Once introduced to their new homes, however, the pests don't stay there. Instead, the worst of them proliferate and spread to other vulnerable trees. This movement is also often facilitated by people – through the movement of wood (such as firewood) and plants (such as through the nursery trade).

As a result, the pests introduced to our cities threaten not just the trees in city parks, yards, and along their streets – important as those trees are to the environment and human well-being. Those pests also threaten forests across the continent.

Experience has shown that the response and eradication efforts that include tree removal and replanting is at least 10 times greater than prevention.

USDA APHIS' "Tree and Wood Pests" budget account provides the overwhelming preponderance of funds used to eradicate or contain tree-killing, wood-boring insects, including several already killing trees in the United States: the Asian longhorned beetle, emerald ash borer, and polyphagous shot hole borer. There is a significant risk that new tree-killing pests will be introduced as import volumes rise. An estimated 35 shipping containers out of 68,000 entering the country each day transport tree-killing pests to our cities from abroad. Under these circumstances, it is critically important to maintain this program.

Among the pests already in the United States, the Asian longhorned beetle (ALB) poses one of the greatest threats to the urban forest. The ALB attacks a wide range of tree species often planted in cities, including maples, elms, sycamores, and plane trees. Any reduction in APHIS' efforts to eradicate ALB outbreaks in Ohio, Massachusetts, and the New York City area would expose cities across the East to potential loss of up to half of their street and park trees. APHIS must also be prepared to respond if the ALB is introduced to new areas which receive high volumes of imports from Asia. For example, in Portland, Oregon, ALB would kill more than one quarter of the street trees; in Seattle, close to ten percent.

The emerald ash borer (EAB) has already killed most of the ash trees in many cities in the Northeast and Midwest; this had meant the death of 20% or more of the urban forest – including many of the large trees that provide the greatest environmental services. Other areas not yet invaded by EAB face higher losses: in North Dakota, at-risk ash trees constitute up to 38% of urban trees. EAB shows no signs of slowing down. APHIS must continue programs aimed at slowing the relentless spread of EAB to vulnerable areas.

APHIS should expand efforts to contain other wood-boring insects. For example, the polyphagous and Kuroshio shot hole borers threaten 20% of the trees in Los Angeles. Across southern California, half of the trees planted in urban areas are vulnerable to these insects.

In sum, municipal governments across the country are spending more than \$3 billion each year to remove trees on city property killed by non-native pests. Homeowners are spending \$1 billion to remove and replace trees on their properties and are absorbing an additional \$1.5 billion in reduced property values and reducing the quality of their neighborhoods. People even die sooner when urban forests are killed by pests. We ask the

Congress to protect their constituents from further economic, health, and environmental losses by supporting APHIS' Tree and Wood Pest budget at \$54 million in FY17.

We also ask the Subcommittee to continue to support the "Specialty Crops" budget account at \$164 million. Approximately \$5 million from this account funds APHIS' program to stop spread of the sudden oak death pathogen via trade in nursery plants. Sudden oak death threatens a wide range of trees and shrubs common along streets and in gardens and parks, including several species of oaks, camellia, mountain laurel, rhododendrons, lilacs, pieris, viburnum. Of course, many of these hosts are native to eastern forests as well; these include northern red, chestnut, white, and pin oaks; sugar maple; and black walnut. In 2014, SOD infestations were detected in a total of eight nurseries in Maine, New York, Texas, and Virginia. Sudden oak death has also been detected on plants growing in private gardens in Connecticut and Massachusetts and at a commercial business site in Louisiana. Finally, the pathogen has been detected in water in streams or ponds in Alabama, Florida, Mississippi, and North Carolina; scientist do not yet know on what plants these water-associated infestations are living. Clearly, APHIS must continue to work with states in the east and south to detect and eradicate these and any new outbreaks in either commercial nurseries or other settings.

Since 1975, U.S. imports (excluding petroleum products) have risen almost six times faster than APHIS staff capability to conduct inspections of those imports. The need to have an effective inspection and response program has never been higher. We look forward to working with the Subcommittee to further the goal of funding strong invasive pest-prevention and

control programs, including preparation of risk assessments; prompt adoption of regulations that effectively clean up pathways of introduction; and increasing capability to detect introductions quickly and respond to them before they become widespread and difficult to control. Effective response, in turn, depends upon capacity to develop and test exclusion, detection, and pest-management methods. All of these depend on an adequate budget.

We greatly appreciate the opportunity to share testimony as the subcommittee prepares a Fiscal Year 2016 Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations bill.

For further information, please contact Faith Campbell, Vice President, Center for Invasive Species Prevention, at [phytodoer@aol.com](mailto:phytodoer@aol.com) .



# THE WILDLIFE SOCIETY

*Leaders in Wildlife Science, Management and Conservation*

Date: 15 March 2016

Submitted to: House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies

Submitted by: Byron Ken Williams, PhD, CWB®  
Chief Executive Officer, The Wildlife Society  
425 Barlow Place, Suite 200, Bethesda, MD 20814

Re: FY 2017 Appropriations for APHIS, NIFA, NRCS, and FSA

POC: Keith Norris, AWB®, keith.norris@wildlife.org  
Director of Government Affairs and Partnerships, The Wildlife Society

The Wildlife Society appreciates the opportunity to submit testimony concerning the FY 2017 budgets for the **Animal and Plant Health Inspection Service (APHIS)**, **National Institute of Food and Agriculture (NIFA)**, **Natural Resources Conservation Service (NRCS)**, and **Farm Service Agency (FSA)**. The Wildlife Society was founded in 1937 and is an international non-profit scientific and educational association representing nearly 10,000 professional wildlife biologists and managers. Our mission is to inspire, empower, and enable wildlife professionals to sustain wildlife populations and habitats through science-based management and conservation. We respectfully request the following programmatic funding in FY 2017 to ensure that the federal budget supports the important work of managing and conserving our nation's wildlife resources. Thank you in advance for considering the views of wildlife professionals.

## **Animal and Plant Health Inspection Service**

**Wildlife Services**, a unit of APHIS, resolves human/wildlife conflicts and protects agriculture, human health and safety, personal property, and natural resources from wildlife damage and wildlife-borne diseases in the United States. The Wildlife Society recognizes wildlife damage management as an important part of modern wildlife management.



In FY 2017, the President has proposed a decrease in funding for **Wildlife Damage Management** by approximately \$15 million. While we acknowledge this decrease partially reflects the removal of a one-time capital investment of \$5.8 million in aircraft equipment from FY 2016, we are highly concerned by the additional extent of this proposed decrease and the effect it might have on the continued success of programs managed by Wildlife Services, like the National Rabies Management Program. **Therefore, we encourage Congress to fund Wildlife Damage Management at or beyond the FY 2015 funding levels of \$90 million for FY 2017.**

Before wildlife damage management programs are undertaken, careful assessment should be made of the problem, including the impact to individuals, the community, and other wildlife species. A key budget line in Wildlife Service's operations is **Methods Development**, which funds the National Wildlife Research Center (NWRC). Much of the newest research critical to state wildlife agencies is being performed at NWRC. In order for state wildlife management programs to be the most up-to-date, the work of the NWRC must continue. **The Wildlife Society recommends the continued funding of Methods Development at \$19 million in FY 2017.**

#### **National Institute of Food and Agriculture**

**The Renewable Resources Extension Act (RREA)** provides an expanded, comprehensive extension program for forest and rangeland renewable resources. RREA funds, which are apportioned to State Extension Services, effectively leverage cooperative partnerships at an average of four to one, with a focus on private landowners. The need for RREA educational programs is greater than ever because of continuing fragmentation of land ownership; urbanization; diversity of landowners needing assistance; increasing societal concerns about land

use; and increasing human impacts on natural resources. Authorized at \$30 million, RREA has been appropriated at roughly \$4 million per year since FY 2008. **To meet the growing need for sustainable outreach initiatives, The Wildlife Society recommends that Congress increase the funding for RREA to at least \$10 million for FY 2017.**

**The McIntire-Stennis Cooperative Forestry Program** is essential to the production, utilization, and protection of forestry resources, including fish and wildlife, on non-industrial, private forestlands. As the demand for forest products grows, the nation will increasingly rely on privately held forests to supplement resources obtained from national forest lands. However, commercial trees take many decades to produce. In the absence of long-term research, such as that provided through McIntire-Stennis, the nation may have difficulty meeting future forest-product needs in a sustainable manner. **We appreciate the \$34 million provided for McIntire-Stennis in FY 2016 and urge Congress to continue this funding in FY 2017.**

### **Natural Resources Conservation Service**

The **Natural Resources Conservation Service (NRCS)** is the primary federal agency that works with private landowners to help them conserve, maintain, and improve their natural resources, thereby making them more resilient and valuable to society. NRCS emphasizes science-based conservation, and through a variety of voluntary, incentive-based programs, offers technical assistance and cooperative problem solving at the community level. Demand for NRCS programs and the backlog of qualified applicants has far outnumbered the agency's present capacity under current funding. With increased pressure on farmlands from biofuel development,

urban sprawl, and the concurrent declines in wildlife habitat and water quality, the need for NRCS conservation programs continues to grow.

For FY 2017, the President has requested \$1.9 billion for **Private Lands Conservation Operations (PLCO)**, including \$1.0 billion of mandatory funding and \$860 million of discretionary funding; which includes the **Conservation Technical Assistance (CTA)** program. CTA provides discretionary funding for NRCS to support implementation of Farm Bill programs. The Wildlife Society is strongly supportive of the FY 2017 budget proposal of \$761 million in funding for CTA, a slight increase from FY 2016. An increase in funds will allow for further implementation of the changes that resulted from the 2014 Farm Bill. In the 2014 Farm Bill, Congress demonstrated strong support for the use of mandatory funds for **Technical Assistance (TA)**, but these funds can only be used in association with a specific Farm Bill program. Appropriated funds for CTA are still essential for NRCS to provide efficient customer service and strong conservation results. **The Wildlife Society therefore encourages Congress to provide \$860 million for discretionary TA, including \$761 million for CTA, and \$1.0 billion for mandatory TA in FY 2017, per the President's request.**

**The Wildlife Society also recommends that all Farm Bill conservation programs be funded at levels mandated in the 2014 Farm Bill, including \$500 million for the Agriculture Conservation Easement Program (ACEP) and 1.65 billion for the Environmental Quality Initiatives Program (EQIP).** Demand for these programs continues to grow, yet during a time when greater assistance is needed to address natural resource challenges and conservation goals, the NRCS can only fund a small portion of the overall demand for these popular programs.

### Farm Service Agency

The President's request would provide funding for the **Conservation Reserve Program (CRP)** at \$1.9 billion in FY 2017. Lands enrolled in CRP are important for the conservation of soil on some of the Nation's most erodible cropland. These lands also contribute to water quantity and quality; provide habitat for wildlife that reside on agricultural landscapes; sequester carbon; and provide a strategic forage reserve for periodic compatible use in times when other livestock forage is limited due to drought or other natural disasters. **We strongly encourage Congress to fund CRP at \$1.9 billion per the President's request, or at a level that fully utilizes the program's general enrollment authority.**

### FY 2017 Appropriations Recommendations - The Wildlife Society

USDA Agency/Unit	Program	FY 2015 Enacted	FY 2016 Estimate	FY 2017 POTUS	FY 2017 The Wildlife Society
<b>APHIS/Wildlife Services</b>	Wildlife Damage Management	90M	101M	86M	<b>90M</b>
	Methods Development	19M	19M	19M	<b>19M</b>
<b>NIFA/Formula Grants</b>	RREA	4M	4M	4M	<b>10M</b>
	McIntire-Stennis Coop. Forestry	34M	34M	34M	<b>34M</b>
<b>NRCS/PLCO</b>	PLCO-Discretionary TA	846M	851M	860M	<b>860M</b>
	PLCO-Mandatory TA	900M	903M	1,034M	<b>1,034M</b>
	PLCO-Total	1,746M	1,754M	1,894M	<b>1,894M</b>
<b>NRCS/Farm Bill Conservation Programs</b>	ACEP	394M	419M	500M	<b>500M</b>
	EQIP	1,347M	1,329M	1,650M	<b>1,650M</b>
	TOTAL-Farm Bill Programs	3,184M	3,123M	3,885M	<b>3,885M</b>
<b>FSA/Conservation Programs</b>	Conservation Reserve Program	1,741M	1,841M	1,923M	<b>1,923M</b>

**Outside Witness Testimony on Fiscal Year 2017 Appropriations  
Submitted to the House Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies**

Witness name: Richard Leach, President, World Food Program USA

Subject matter of testimony: FY17 Food Assistance Appropriations

Point of contact: Charles Dujon, World Food Program USA, email: [cdujon@wfpusa.org](mailto:cdujon@wfpusa.org)

**Request**

World Food Program USA (WFP USA) is a non-profit organization that works to solve global hunger by raising U.S. support for the mission of the UN World Food Programme. Specifically, we request the following funding levels for three essential programs within the jurisdiction of the subcommittee:

- Title II Food for Peace -- \$1.75 billion
- McGovern Dole Food for Education and Child Nutrition Program -- \$209.5 million
- Local and Regional Procurement Program -- \$80 million
- We also request bill language be included in the General Provisions regarding non-emergency, development activities in the Title II Food for Peace account.

To maintain strong U.S. leadership in solving hunger and to respond to critical emergency needs worldwide, WFP USA urges the subcommittee to provide the strongest possible funding for global food security programs. Our specific funding requests mirror those in the InterAction *Choose to Invest FY2017* recommendations, which have been formally endorsed by a coalition of 168 U.S.-based, non-governmental and faith-based organizations.

**Background**

Strong bipartisan support for a comprehensive approach to ensuring global food security has made the United States a global leader in the effort to solve hunger, catalyzing significant

progress worldwide. Today there are over 200 million fewer hungry people compared to 1990 estimates. Undernourishment and child mortality have been nearly halved during this time. These trends demonstrate that the goal of zero hunger is achievable if the positive policies and programs the U.S. has put into place are sustained.

Despite this dramatic progress, there are still 795 million chronically hungry people in the world today. Undernourishment still affects 12.9% of developing country populations. And in 2015, 5.9 million children under five died prematurely, with nearly half of these child deaths associated with undernutrition.

In addition, there are now four ongoing crises classified at the most severe level of humanitarian emergency. These crises in Syria, Iraq, South Sudan, and Yemen are the result of internal conflicts that have caused massive population displacements. In fact, there are now over 60 million displaced people worldwide, including both refugees and those internally displaced: the highest number since World War II. In response to these and other crises, the 2016 UN humanitarian consolidated appeal estimated global humanitarian needs at \$17.2 billion, which was more than double the estimated need level in 2012.

The United Nations World Food Programme (WFP) is the world's largest humanitarian organization, providing critical food and nutrition support to roughly 80 million of the world's hungriest people each year. WFP estimates that total global food assistance requirements for 2017 will exceed \$8 billion.

### **Food for Peace**

Food for Peace (FFP) provides emergency food and development assistance to millions suffering from hunger and malnutrition. For the past 60 years, Food for Peace has been the

primary vehicle for providing food aid in response to natural disasters, crises, and conflicts around the world. Maintaining robust funding for Food for Peace Title II and finding ways to stretch that funding further is imperative.

While the United States remains the largest donor of global food assistance, the reach of U.S. food assistance has been stretched by record levels of need in 2016. Supporting FFP at \$1.75 billion would allow the U.S. to reach 45-50 million people with lifesaving food aid and maintain its global leadership.

The United Nations World Food Programme (WFP) is the largest U.S. food aid partner, implementing programs that account for roughly 90 percent of Food for Peace emergency food aid funding. WFP estimates \$6.5 billion will be required to fund its 2017 emergency food assistance programs. About \$1.2 billion – almost 20% of total WFP emergency needs – will be required just for the humanitarian crisis in Syria and the Syrian refugees in neighboring countries. Needs from both weather-related disasters and conflicts will continue to persist across Sub-Saharan Africa, and Southwest Asia.

Food for Peace provides the bulk of funding for the U.S. to contribute its historical average of about 30% of WFP emergency, relief, and recovery programs. Other countries provide over 60% of the annual contributions to WFP, which means that U.S. food aid channeled through WFP helps leverage additional international assistance.

We also support the inclusion of administration-requested bill language to address section 412(e) of the Food for Peace Act, 7 U.S.C. 1736f(e). It is our view that other U.S. Agency for International Development resources which support non-emergency, development activities can be used to satisfy the statutory requirements of this section in a manner that maximizes flexibility to support both emergency and non-emergency food activities.

### **McGovern Dole International Food for Education and Child Nutrition Program**

The McGovern-Dole International Food for Education and Child Nutrition Program provides U.S. agricultural products and technical assistance for school feeding projects in low-income, food-deficit countries that are committed to universal education. The McGovern-Dole program provides school-age children in poverty-stricken countries with what is often their only full meal of the day and protects vulnerable children, especially during times of natural disasters and economic shocks.

Serving food at school helps solve chronic hunger and can be life-changing for the world's poorest children. School meals also help get students into the classroom, giving them an important key to a better future: an education. In areas where enrollment rates for girls are low, McGovern-Dole supported programs work with families and communities to make it possible for more girls to attend school. This sometimes includes giving girls take-home rations that encourage families to send daughters to school and also benefit younger children at home. Girls' education has a powerful ripple effect on families and communities. One study has shown that the more education girls have, the less likely their children will be malnourished.

The UN World Food Programme calculates that \$3.2 billion is needed per year to reach all 66 million primary school-age children that go to school hungry every day. While an investment of \$209.5 million for school feeding represents a small fraction of overall global investment in school feeding programs by donor and host country governments, U.S. resources remain critical for low-income countries to continue school feeding programs. We urge the committee to fund the McGovern-Dole program at a level of \$209.5 million in FY17.



**Local and Regional Food Procurement Program**

We recommend fully funding the Local and Regional Procurement (LRP) Program, which was newly authorized at \$80 million in the Agricultural Act of 2014. The 2014 Farm Bill conference report's statement of managers affirms that the intent of LRP programming is to complement existing food aid programs, especially the McGovern-Dole Food for Education and Child Nutrition Program.

Linking the new USDA LRP program to the McGovern-Dole program improves the chances of long-term sustainability of school feeding programs supported by McGovern-Dole. A fundamental objective of U.S. support to international school feeding is for countries to eventually take over, manage, and fund their own school feeding programs. This means developing locally sustainable systems for the purchase and management of food used in school feeding programs to move away over time from reliance on U.S.-donated commodities. U.S. support for LRP can help countries make that transition to national ownership. While Congress funded LRP activities in FY16, more is needed to demonstrate its full potential. Continued funding of the newly authorized LRP program will strengthen the McGovern-Dole supported programs and hasten this transition to recipient country responsibility and ownership.

March 15, 2016

The Honorable Hal Rogers, Chairman  
House Appropriations Committee

The Honorable Nita Lowey  
House Appropriations Committee

The Honorable Thad Cochran, Chairman  
Senate Appropriations Committee

The Honorable Barbara Mikulski, Ranking Member  
Senate Appropriations Committee

The Honorable Robert Aderholt, Chairman  
House Agriculture Appropriations Subcommittee

The Honorable Sam Farr, Ranking Member  
House Agriculture Appropriations Subcommittee

The Honorable Jerry Moran, Chairman  
Senate Agriculture Appropriations Subcommittee

The Honorable Jeff Merkley, Ranking Member  
Senate Agriculture Appropriations Subcommittee

Dear Chairmen and Ranking Members:

As you prepare appropriations legislation for FY 2017, we thank you for your past leadership in protecting poverty-focused international development and humanitarian assistance accounts specifically related to food security and nutrition. As a group of organizations that are supportive of these programs, we would like to thank Congress for the increase to Food for Peace Title II (FFP) funding we saw in FY 2016, and call upon Congress to continue to provide similarly robust funding for Food for Peace in FY2017. Further, we request that Congress direct at least \$375 million of Food for Peace funding to long-term development oriented non-emergency programs.

For over 60 years, Food for Peace has enabled the United States to reach more than 3 billion people with food assistance, addressing not only food security needs, but helping to build stability in regions that might otherwise pose greater national security concerns. As we consider the protracted conflicts in Syria, South Sudan, Yemen, and Iraq, as well as ongoing cyclical weather patterns like El Niño and a potential La Niña, projected global needs in FY17 will be significant. Providing robust funding of FFP as was done in FY16 will allow the U.S. to reach over 47 million people with lifesaving food aid and maintain its global leadership.

As the largest U.S. government food aid program, Food for Peace Title II also provides funding for non-emergency development programs that focus on the underlying sources of chronic hunger through multiyear investments in nutrition, agricultural productivity, and diversification of household incomes. These programs help poor communities build resilience to droughts and floods, improve farming practices and integrate into local markets, allowing them to better withstand shocks and reduce the need for emergency assistance. These programs move poor farmers away from poverty and to realize the dignity of providing for themselves and their families. For these reasons, we request at least \$375 million of FFP funding – a small increase over the minimum level of \$350 million required by the Farm Bill – be directed to development, non-emergency programming. Additionally, we remain supportive of the Community Development Fund including its use within non-emergency food assistance programming.

We look forward to continuing to work with you in advancing efforts that provide further flexibilities to our current food aid system, and we once again thank you for your leadership in protecting international humanitarian and development assistance accounts including Food for Peace Title II.

Sincerely,

- 1.) Mercy Corps
- 2.) Food for the Hungry
- 3.) ADRA International

- 4.) CNFA
- 5.) World Vision US



CNFA  
Cultivating New Frontiers  
in Agriculture



fh  
food for the hungry





**Advocates for Rural Broadband**

Paul Kelly  
President

Kelly Worthington  
Executive Vice President

**Written Statement of Kelly Worthington,  
Executive Vice President of WTA – Advocates for Rural Broadband**

Submitted to the  
Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives

March 15, 2016

**Summary**

The member companies of WTA – Advocates for Rural Broadband (WTA) have a long-standing relationship with the Department of Agriculture's Rural Utilities Service (RUS) and its predecessor the Rural Electrification Administration (REA). WTA wants to make sure RUS is able to continue being a supporting partner in bringing 21<sup>st</sup> Century telecommunications to rural America. To this end, WTA supports the President's request of \$690 million for the RUS Telecommunications Loan Program and \$39.5 million for broadband grants administered through the Community Connect Grant Program. WTA is also aware that the President's budget does not request any appropriated funds for the Broadband Loan Program, which Congress last reauthorized in The Agricultural Act of 2014, Pub.L. 113-79 (Farm Bill). This is not due, however, to lack of interest in or support for this program. WTA is aware that there are unused funds remaining from the previous fiscal years and RUS intends to make use of those funds in FY2017. Despite some funds being available, WTA supports Congress providing funding for the Broadband Loan Program commensurate with levels of years past.

**Testimony**

WTA is a national trade association whose membership is comprised of more than 300 rural telecommunications carriers providing high-quality voice, data, and video services across the United States. On average, WTA member companies provide service to fewer than 3,000 customers. WTA's members serve some of the most rural and hard-to-serve communities in the country and are on the forefront of bringing 21st Century telecommunications services to rural America. WTA's members have had a long and productive partnership with RUS and its predecessor, the REA. Many of WTA's members owe their existence to the ability to have obtained RUS and REA loans over the many decades of this relationship.

This partnership continues today and is even more important due to the increasing demand for constantly evolving communications services across the country and the lack of other sources of financing for small, rural telecommunications carriers. Because of the isolated nature of many rural communities served by WTA members, quality voice communication service and high-speed broadband connections are a vital link to the rest of the country and the world. RUS has played, and continues to play, a key role in making sure rural high-cost areas are not left behind in the new era of communications and technology by providing low-interest loans to its borrowers who, because of their location and the costs of building rural networks, do not always have access to conventional low-interest loans.

The President, in his FY2017 Budget, has proposed funding the RUS Telecommunications Loan Program at \$690 million. WTA supports the President's request and respectfully urges the

Subcommittee to approve this request as it has in the past. This basic infrastructure program is vital to the ability of rural telecommunications providers to invest in their high-cost networks.

While the President's budget did not request additional funding for the Broadband Loan Program for FY2017, this should not be seen as a lack of support for the program. On the contrary, the Administration expects there to be a carryover balance of unused funds from previous years that would allow RUS to continue making loans in FY2017. This funding is available because RUS did not make loans while it was rewriting the rules for the program following reauthorization in the 2014 Farm Bill.

WTA expects the demand for RUS loans, both Telecommunications and Broadband Program Loans, to increase over the next several years because of greater regulatory certainty. For the past several years, the regulatory regime under which small, rural telecommunications providers operate has been in flux. Since 2011, the Federal Communications Commission (FCC) has been overhauling how Universal Service Fund dollars are distributed under the High Cost program. The FCC is scheduled to complete its work in this area and issue an Order reforming the Universal Service Fund later this month. While WTA continues to question the level of funding available under the High Cost program, it believes that the FCC completing its work will lead to greater regulatory certainty for small, rural telecommunications providers and increased demand for loans. Therefore, WTA supports Congress providing funding for the Broadband Loan Program commensurate with levels of years past.

WTA understands the budgetary constraints under which the Subcommittee and Congress are operating. However, unlike many other federal programs, these two RUS programs are strictly loan programs. For a very small administrative cost, these loans encourage private sector investment many times over. It is also important to note that these loans are repaid with interest to the Federal government. The broadband networks and economies of rural America would suffer real long-term harm should either of these programs be cut or eliminated in the desire for short-term budgetary gains.

WTA also supports the President's request of \$39.5 million for the Community Connect Grant program. This grant program helps bring broadband to anchor institutions and residents and businesses in small towns in rural America that might not be eligible for low-interest loans or are even too remote for a low-interest loan to be financially feasible.

In conclusion, if policymakers want Americans living in remote, rural, tribal and other hard-to-serve communities to have access to communications services reasonably comparable to those in urban and suburban communities – as is required by the Communications Act of 1934, as amended – then continued Congressional support for these RUS loan and grant programs is essential.

Thank you for allowing me to submit these remarks on behalf of the telecommunications providers of WTA and the customers they serve throughout rural America.

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